

Natural Refrigerants in Retail Food Refrigeration and Cold Storage – Larger systems (greater than 300 lbs.) Request for Proposals (RFP)

Fiscal Year 2026

This document describes the Natural Refrigerants in Retail Food Refrigeration and Cold Storage — Larger systems (greater than 300 lbs.) RFP, including information on who may apply for funding, match requirements, activities eligible for funding, and other information that will help applicants apply. This RFP will remain open, and applications will be accepted on a rolling basis until all dedicated funds have been dispersed or until **4:00 pm Central Time on Thursday, May 27, 2027**, whichever occurs first.

Applicants should check the [Natural refrigerants grant-larger systems webpage](#) for any updates, including questions, answers and addendums, along with the grant application form, and other documents.

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1. Overview

Developed as substitutes for ozone-depleting refrigerants, hydrofluorocarbon refrigerants are climate-damaging greenhouse gases with global warming potentials hundreds to thousands of times greater than carbon dioxide. For example, if released, one 30-pound tank of R-404a has the equivalent of the CO₂ emitted by driving more than 14 cars each year. Upgrading to new refrigeration systems and climate friendly refrigerants can greatly reduce greenhouse gas emissions.

The Minnesota Pollution Control Agency (MPCA) has approximately \$8.5 million in federal Climate Pollution Reduction Grant funds to award for refrigeration projects where existing systems are replaced with equipment using a natural refrigerant such as, but not limited to, carbon dioxide, propane, or ammonia. Two funding rounds will occur. In this initial rolling RFP, \$5,000,000 (five million dollars) is available for projects at businesses, non-profits, governmental entities, tribes, and educational institutions.

2. Funding

Approximately \$5,000,000 in funding is available in this funding window. Additional funding may become available or MPCA may choose not to award all funding. The MPCA has authority to administer this RFP pursuant to [Minn. Stat. §115D.04](#).

See Table 1 for maximum grant amounts, match requirement, application windows, and funding available per organization and facility type.

Maximum award: The maximum grant award will be either \$500,000 or \$750,000 and depends on organization type and facility, organization size, and location in a priority area. See Table 2 for maximum award amounts.

The maximum award available to the parent company is for all projects/locations combined.

Priority areas are:

- Projects located in Environmental Justice (EJ) Areas (based on the project address as listed in the application). The MPCA's criteria and interactive mapping tool can be found at <https://experience.arcgis.com/experience/bff19459422443d0816b632be0c25228/page/Page?views=EJ-areas>. The MPCA will use the most current map when evaluating proposals.
- Projects located outside of the seven metro counties of Hennepin, Ramsey, Washington, Carver, Dakota, Wright, and Scott.

Table 1

Organization/facility type	Organization size	Located in priority area?	\$ per company parent max	Match requirement	Amount available			
					Round 1: June 2026 – May 2027	Round 2: Aug 2027 – June 2028	Total amount available	
For-profit business with retail food refrigeration	Companies that own or operate 20-150 retail food facilities, company-wide	No	\$500,000	50%	\$1.5 million	\$2 million	\$3.5 million	
	Companies that own or operate 20-150 retail food facilities, company-wide	Yes	\$750,000		\$2 million	Remaining funds from round 1	\$2 million	
	Companies that own or operate less than 20 retail food facilities, company-wide	Not applicable						
Non-profit organization or non-profit educational institution with food assistance program, retail food refrigeration, or cold storage	Any size		Not applicable	\$750,000	50%	\$2 million	Remaining funds from round 1	\$2 million
Tribe with retail food refrigeration or cold storage	Any size							
Government with retail food refrigeration or cold storage	Any size							
For-profit business with cold storage	500 FTE employees or fewer, company-wide				\$1.5 million	\$1.5 million	\$3 million	

Table 2. Maximum award eligibility

\$500,000 max award eligibility	\$750,000 max award eligibility
For-profit business that owns or operates 20-150 retail food facilities, company-wide. Retail food project location is not in an environmental justice area and is not outside of the seven metro counties .	For-profit business that owns or operates 20-150 retail food facilities, company-wide. Retail food project location is in an environmental justice area or is outside of the seven metro counties .
	For-profit business that owns or operates less than 20 retail food facilities, company-wide. Project is for retail food refrigeration.
	Non-profit organization or non-profit educational institution with a food assistance program, retail food refrigeration, or cold storage.
	Tribe with retail food refrigeration or cold storage.
	Government with retail food refrigeration or cold storage.
	Project is for cold storage. For-profit business with 500 FTE or fewer, company-wide.

Match requirement: The match requirement is 50% meaning the grant recipient will cover 50% of the total project cost and the grant award will cover 50% of the total project cost, up to the maximum grant award. *For example, if the total project cost is \$1,500,000 the grant recipient will cover \$750,000, and the grant award could cover up to \$750,000.*

Matching funds must be cash and may be obtained through loans or other non-state grants or non-federal funds, if the applicant chooses.

Small business applicants are encouraged to consider a 0% interest [Small Business Environmental Improvement loan](#) to use in conjunction with their grant. Loan funding can be used as matching funds or as gap funding, to cover the project prior to receiving grant reimbursement.

Zero percent interest [Environmental Assistance loans](#) are another finance option. Eligible loan costs are limited to acquiring machinery and equipment, including freight and installation, and related improvements. Participatory loans require a match from a participating financial institution. Direct loans require a 25% match from the loanee.

Payment schedule

Grant funding for eligible costs will be paid on a reimbursement basis upon submission of approved invoices and supporting documentation after project completion. Grant payments shall not be made on grants with past due progress reports and will be contingent on completion of a monitoring visit.

3. Eligible and ineligible applicants

Eligible applicants

Eligible applicants must own and operate an operational refrigeration system in Minnesota.

Eligible applicants include:

- A for-profit business with up to 150 retail food refrigeration facilities company-wide, including parent companies and all business operations. This sector includes but is not limited to North American Industrial Classification Codes (NAICS) 445110 and 452311.

- A governmental entity, tribe, non-profit, or non-profit educational institution with any number of employees with:
 - Retail food refrigeration*
 - Cold storage**
- A non-profit organization with any number of employees operating a food assistance program, such as a food shelf, food bank, or meals served on or off-site.
- A for-profit business with 500 full-time employees or fewer with cold storage**. This may also include cold storage businesses who store food and beverages for third parties as well as food producers and processors who need storage for their own products.

* Retail food refrigeration includes equipment designed to store and display chilled or frozen goods for commercial sale or use, and may include equipment at a school or institutional cafeteria. This sector includes but is not limited to North American Industrial Classification Codes (NAICS) 445110 and 452311.

**Cold storage is a refrigerated facility or warehouse, or refrigeration system such as for walk-in coolers or freezers, used for the temperature-controlled storage of food and beverages intended for human or animal consumption. This sector includes but is not limited to NAICS codes starting with 493.

Ineligible applicants

- Entities that do not own and operate retail food refrigeration equipment in Minnesota.
- Individuals.
- For-profit businesses with over 150 facilities with retail food refrigeration, including parent companies and all business operations.
- For-profit cold storage operators with over 500 FTE employees, including parent companies and all business operations.
- The MPCA may also deem an applicant ineligible because of, but not limited to enforcement issues, labor standards, or tax status.
- Entities that are currently suspended or debarred by the State of Minnesota and/or the federal government are ineligible applicants.

4. Eligible and ineligible projects

Eligible projects

Eligible projects include replacing existing, operational, refrigeration systems holding more than 300 pounds of refrigerant at full charge, combined, at one facility.

The existing systems must be charged with refrigerant(s) with a global warming potential(s) > 1300.

Examples of existing eligible equipment to replace include, but are not limited to: Remote condensing units, centralized direct expansion systems, packaged systems, and central plants (direct systems). See Exhibit 2. Definitions for equipment descriptions.

Full and partial refrigeration system replacements are eligible.

An application must include the full or partial replacement of at least one system in an existing facility and may include the full or partial replacement of multiple systems in an existing facility.

- A full replacement is defined as a 100% replacement of an existing refrigeration system using a refrigerant with a GWP greater than 1300 with an eligible refrigerant.
- A partial replacement is defined as conversion of an existing refrigeration system using a refrigerant with a GWP greater than 1300 to an indirect system. The indirect system in a partial replacement must be able to use some of the existing refrigeration system equipment and must use an eligible refrigerant.

Replacement of existing heating, ventilation, air conditioning, and refrigeration integrated systems is eligible if the majority (greater than 50%) of the cooling load of the refrigeration system being replaced is used for refrigeration.

The total size/capacity of the replacement system(s) must not exceed 15% of the size/capacity of the existing systems(s) to be replaced. Capacity will be measured by linear feet of cases, cubic feet of walk-ins, and/or cooling load ton.

Replacing self-contained cases with self-contained cases is not eligible. However, replacing remote condensing units and centralized direct expansion systems with air-cooled self-contained cases or micro-distributed systems is eligible.

Eligible projects must document that the replaced equipment was recycled or properly disposed of, and that refrigerant was recovered by a Section 608 certified technician.

Eligible refrigerants

Eligible replacement refrigerants are natural refrigerants, including but not limited to, carbon dioxide (R-744), ammonia (R-717), and propane (R-290).

The International Institute for All-Natural Refrigeration describes natural refrigerants as occurring “in nature’s biological and chemical cycles without human intervention. These materials include ammonia, carbon dioxide, natural hydrocarbons, water, and air.”

Example technologies

Examples of eligible full or partial system replacements that may be funded include but are not limited to:

- Transcritical CO₂ rack systems or remote condensing units with adiabatic condensers, ejectors, and/or other enhancements that improve performance
- Cascade or secondary loop systems with CO₂ or glycol as secondary heat transfer fluids
- Propane: Micro-distributed systems with or without a water loop
- HVACR integrated systems that provide refrigeration as well as space heating and cooling using natural refrigerants

Ineligible projects

Ineligible projects include:

- Replacing self-contained cases with self-contained cases is not eligible. Self-contained or stand-alone refrigeration cases house all refrigeration components (e.g., evaporator, cooling coil, compressor, and condenser) within their structure. They are charged with refrigerant at the factory and typically require only an electricity supply to begin operation.
- Refrigerated transport.
- Industrial process refrigeration systems, which refers to complex customized refrigerant-containing appliances that are directly linked to the processes used in, for example, the chemical, pharmaceutical, petrochemical, and manufacturing industries. This sector also includes industrial ice machines, appliances used directly in the generation of electricity, and ice rinks.
- Any project that does not fit the description of an eligible project.

5. Application submission instructions

All applicants must submit a complete application which consists of the following documents:

- Section A: Application Form, which includes the following attachments:
 - Floorplans for the existing and proposed systems, created by the applicant
 - Exhibits C, D, E, and H
- Section B: System inputs (strong preference to submit in Excel format)

If you have multiple sites, a separate application form must be submitted for each.

Applications must be received electronically by the MPCA **no later than 4:00 pm Central Time on Thursday, May 27, 2027**. Email applications to grants.pca@state.mn.us with the subject line: “Natural Refrigerants Larger Systems Application.” The email properties header will reflect the date and time submissions are received. Application submissions received after the deadline will be ineligible. The MPCA is not responsible for any errors or delays caused by technology-related issues.

Applications submitted via any other method, including but not limited to another email address, fax, postal mail, or in-person deliveries, will not be accepted.

The MPCA may choose not to award all funding or to shift funds between application windows. The MPCA may close the application windows earlier if the program is significantly over-subscribed. This RFP does not obligate the State to award a grant, and the State reserves the right to amend, modify, or cancel this solicitation if it is in its best interest.

6. Applicant questions

We are obligated to be transparent in all aspects of our grant work. To meet our obligation, all questions must be submitted in the same manner and answers are only provided via the MPCA website. **It is the applicant’s responsibility to check the [MPCA website](#)** for the most recent updates about an open RFP, including questions and answers and addendums.

Applicants who have any questions regarding this RFP must email questions to grants.pca@state.mn.us, subject line: “Natural Refrigerants Larger Systems Question.” Answers to questions will be posted frequently on the MPCA website at <https://www.pca.state.mn.us/grants-and-loans/csfs-natural-refrigerants-in-retail-food-refrigeration-and-cold-storage>

The MPCA personnel are not authorized to discuss this RFP with applicants. Contact regarding this RFP with any MPCA personnel, outside of written questions submitted via e-mail to grants.pca@state.mn.us, may result in disqualification.

7. Application assistance

The Minnesota Technical Assistance Program (MnTAP) is available for general assistance with your application. MnTAP help is free, and they can help you understand and locate eligible equipment and review your application for completeness. Contact Ashwin Nambudiripad, Associate Engineer, at ashwin@umn.edu or 612-624-4653.

Ultimately, you may need to work with a contractor to design a new system and get system characteristics, like refrigerant charge.

8. Application review process

First come, first served approach

Funding will be awarded on a first-come, first served basis within each refrigeration sector (See Table 1). The time and date the application was submitted via e-mail to grants.pca@state.mn.us will be used to determine the order of funding within a refrigeration sector.

Applications received by the grant deadline will be reviewed by MPCA staff and evaluated based upon the Application assessment sheet in Exhibit 1. Applicants must meet all eligibility requirements to be considered for funding.

All applicants will be notified via email of award status, either approved or rejected, by MPCA staff within approximately 45 days of submitting their application. Applicants selected for funding will be contacted concerning the next steps in the award process, including execution of the appropriate agreement.

If funding is oversubscribed (i.e., the MPCA has more funding requests in the queue than funds available) the applicant will receive an email from the MPCA notifying them of their place on the waitlist. Applicants will be notified via email if funding becomes available, and they will be moved off the waitlist and into the application review pipeline.

The review team will consider an applicant's past performance (pursuant to [Policy 08-13](#)) and may disqualify an applicant if it finds documented evidence of poor performance under a grant in the past five years.

Application corrections and clarifications

If an application requires minor corrections or clarifications, the MPCA will email the applicant with the request. The applicant has five business days to reply, and the application will be reinstated into the review pipeline with the original timestamp. If a response is received after five business days, the application will move to the end of the application review line.

9. Eligible and ineligible costs

Eligible costs

Any cost that is directly related to the project and not deemed ineligible below or by MPCA staff. Awarded grantees can use up to 25% of the grant award to cover consulting fees.

Ineligible costs

Ineligible costs include costs that are not directly related to the project. The following costs, including but not limited to, even if they are directly related to the project, are ineligible:

- Any expenses incurred before the grant agreement is fully executed including applicant's expense for preparing the eligibility and cost applications or any expenses incurred during work plan application and final work plan development.
- Bad debts, late payment fees, finance charges or contingency funds, interest, and investment management fees.
- Attorney fees.
- Employee worksite parking.
- Lobbying, lobbyists and political contributions.
- Mark-up on purchases and/or subcontracts.
- Taxes, except sales tax on eligible equipment and expenses.
- Activities associated with permit fees.
- Activities addressing enforcement actions or that involve a financial penalty.

- Memberships (including subscriptions and dues).
- Reimbursement to non-staff stakeholders for their attendance at stakeholder participation meetings.
- Food (other than staff per diem), alcoholic refreshments.
- Entertainment, gifts, prizes and decorations.
- Merit awards and bonuses.
- Donations and fundraising.
- Computer(s), tablets, and software, unless unique to the project and specifically approved by the MPCA as a direct expense.
- Purchase or rental of mobile communication devices such as pagers, cell phones, and personal data assistants (PDAs), unless unique to the project and specifically approved by the MPCA as a direct expense.

10. Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making. The Policy on Rating Criteria for Competitive Grant Review establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

The MPCA is committed to making sure pollution does not have a disproportionate impact on any group of people by prioritizing the principle of environmental justice. This means that all people regardless of their race, color, national origin, or income benefit from equal levels of environmental protection and have opportunities to participate in decisions that may affect their environment or health. It is MPCA’s strategic plan to address environmental concerns in all programs.

To learn more, visit: <https://www.pca.state.mn.us/about-mpca/mpca-and-environmental-justice>.

Projects benefitting underserved communities and environmental justice areas will be rated higher. Minnesota Statute 116.065 defines “environmental justice areas” as census tracts:

- in which at least 40 percent of the population is people of color
- in which at least 35 percent of households have income at or below 200 percent of the federal poverty level
- in which at least 40 percent of the population has limited proficiency in English
- that are located within Indian Country, which is defined as federally recognized reservations and other Indigenous lands

Census tracts need to meet only one of these criteria to be considered an environmental justice area. This Grant Contract Agreement will prioritize projects that serve and improve communities with higher concentrations of low-income residents and people of color, including tribal communities. Click here to see if the project is located in an Environmental Justice area:

<https://experience.arcgis.com/experience/bff19459422443d0816b632be0c25228/>

Evaluation will be conducted using the most up-to-date environmental justice information available at the time of evaluation.

Grantee responsibilities

Awardees are required to be registered in SWIFT and will sign the Grant Contract Agreement using DocuSign.

Grant contract agreement

Each grantee must formally enter into a grant contract agreement. The grant contract agreement will address the conditions of the award, including implementation for the project. Grantees should read the grant contract agreement, sign, and once signed, comply with all conditions of the grant contract agreement. No

work on grant activities can begin until a fully executed grant contract agreement is in place and the State's Authorized Representative has notified the Grantee that work may start. The funded applicant will be legally responsible for assuring implementation of the work plan and compliance with all applicable state requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

A sample State of Minnesota grant agreement can be found on the [Office of Grants Management webpage](#), listed by organization type, for your reference. Much of the language reflected in the sample grant agreement is required by statute.

Federal funds

Payments will be sub awarded to the Grantee from the U.S. Environmental Protection Agency (EPA) through the Climate Pollution Reduction Grants program, CFDA number 66.046. The Grantee is responsible for compliance with all federal requirements. The Grantee accepts full financial responsibility for any noncompliance.

<https://www.epa.gov/grants/grant-terms-and-condition>

Order refrigeration equipment

The grantee must order the refrigeration equipment described in their grant agreement within 180 days of the grant agreement start date and provide documentation of equipment ordered (e.g. purchase order) to MPCA within 180 calendar days of the grant agreement start date. Delivery of ordered equipment is not required to occur within those 180 calendar days.

Under extremely challenging circumstances, an extension of 30 calendar days or more may be feasible at the discretion of the MPCA and may be requested by the grantee by submitting a request to the MPCA's Authorized Representative. If the grantee does not order equipment and provide required documentation or request an extension within the required timeframe, the agreement will be terminated.

Complete the project

Projects must be completed within 13 months of signing the grant agreement.

Accountability and reporting requirements

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant contract agreement have been met. Grant agreements will detail requirements for monthly progress reports, a final report, and pre- and post-project energy use data.

Grant monitoring

[Minnesota Statutes §16B.97](#) and [Policy on Grant Monitoring](#) require the following:

- One monitoring visit during the grant period on all state grants of \$50,000 and higher.
- Annual monitoring visits during the grant period on all grants of \$250,000 and higher.
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants of \$50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.

The monitoring schedule will be outlined in the grant agreement.

Authorized representatives

Pursuant to [Minnesota Statutes §16B.98, subd. 5 \(d\)](#), grantees must clearly post on the grantee's website the names of, and contact information for, the grantee's leadership and the employee or other person who directly manages and oversees a grant contract agreement on behalf of the grantee.

Public data

Per [Minnesota Statutes § 13.599](#)

- Names and addresses of grant applicants and amount requested will be public data once proposal responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in [§13.37](#)) will be public data after the evaluation process is completed. For the purposes of this grant, data will be considered public when all the grant contract agreements have been fully executed.
- All data created or maintained by MPCA as part of the evaluation process (except trade secret data as defined and classified in [§13.37](#)) will be public data after the evaluation process is completed. For the purposes of this grant, data will be considered public when all the grant contract agreements have been fully executed.

Conflict of interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minnesota Statutes § 16B.98, subd. 2-3](#) and [OGM Policy 08-01 Conflict of Interest in State Grant-Making Policy](#).

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties
- a grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties

In cases where a conflict of interest is in question or disclosed, the applicants or grantees will be notified and actions may be pursued, including but not limited to, revising the grant work plan or grantee duties to mitigate the risk, requesting the grant applicant to submit an organizational conflict of interest mitigation plan, disqualification from eligibility for the grant award, amending the grant, or termination of the grant contract agreement.

Grantee bidding requirements

Municipalities

Grantees that are political subdivisions or municipalities must use these guidelines:

- A. Municipalities are required to comply with [Minnesota Statutes §471.345, Uniform Municipal Contracting Law](#).
- B. The Grantee and any subrecipients must comply with prevailing wage rules per [Minnesota Statutes §§ 177.41 to 177.50](#), as applicable.
- C. Municipalities and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#)
- D. The Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

Nongovernmental entities

Grantees that are nongovernmental entities must use these guidelines:

- A. Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.
- B. Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids or awarded to a targeted vendor.

- C. Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- D. The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
 - a. [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
 - b. [Metropolitan Council Underutilized Business Program](#)
 - c. Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Directory](#)
- E. The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- F. The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single source bid, if applicable.
- G. Notwithstanding the above, the State may waive bidding process requirements when:
 - a. Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant; or
 - b. It is determined there is only one reasonably able and available source for such materials or services and that grantee has established a fair and reasonable price.
- H. The Grantee and any subrecipients must comply with prevailing wage rules per [Minnesota Statutes §§ 177.41 to 177.50](#), as applicable.
- I. The grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#).

Build America Buy America (BABA)

All infrastructure purchases will be subject to BABA rules. A general guideline, which may not be all-inclusive, is fixtures that are permanent (e.g., hard-wired) are required to follow BABA. If the equipment moves around, it is not.

Limited projects under this RFP are subject to the Buy America Sourcing requirements under the Build America, Buy America (BABA) provisions of the [Infrastructure Investment and Jobs Act \(IIJA\)](#) (P.L. 117-58, §§7091170917) when using Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. The Buy America preference applies to all of the iron and steel, manufactured products, and construction materials used for the infrastructure project under an award for identified [EPA financial assistance funding programs](#).

[Project waivers](#) may be pursued after award; however, without an EPA-approved waiver the BABA requirements must be met.

Build America, Buy America – Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

Buy America Preference. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for an infrastructure project unless:

1. All iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

2. All manufactured products used in the project are produced in the United States— this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and
3. All construction materials are manufactured in the United States — this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed below.

For legal definitions and sourcing requirements, the recipient must consult the [EPA Build America, Buy America website, 2 CFR Part 184](#), and the [Office of Management and Budget’s \(OMB\) Memorandum M-24-02 Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure](#).

Preaward Risk Assessment and Financial Review

In accordance with [Minnesota Statutes §16B.981](#) and [OGM Policy 08-06: Preaward Risk Assessment of Potential Grantees](#), it is required to consider a grant applicant's past performance and financial and operational capacity before awarding grants of \$50,000 or more. Granting agencies will request, review, and analyze information, including Exhibits C-H, as referenced in this RFP, as applicable.

In order to comply with this requirement, the following information and documents will need to be submitted before the Grant Contract Agreement contract agreement is fully executed:

I. Exhibit C (All potential grantees) – Capacity Responses:

- a. Please describe your history of performing the work that will be funded by the grant.
- b. This includes describing your organization’s current staffing and current budget.

II. Exhibit D (All potential grantees) – Certification of Not Suspended-Debarred:

Not suspended or debarred by the state of Minnesota or the federal government

III. Exhibit E (For-profit and nonprofit potential grantees) – Evidence of good standing:

Filed and up-to-date with the Secretary of State

IV. Exhibit F (nonprofit grantees) – Nonprofit grantees as applicable:

- Most recent Form 990 or Form 990-EZ
- Most recent audited financial statement of a charitable organization which has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement per [Minn. Stat. §309.53](#)
- Most recent board-reviewed (or managing group if applicable) financial statements, description of internal controls over business expenditures and outcomes of grant funds, if awarded, and evidence of exemption

V. Exhibit G (For-profit grantees) – For-profit Certification Disclosure and required documents:

- Most recent federal and state tax returns:
 - If not in business long enough to have a tax return, description of internal controls over business expenditures and outcomes of grant funds, if awarded
- Current balance sheet
- Current income statement
- Statement of cash flows
- Certification that business is not under bankruptcy proceedings
- Disclosure of any liens on assets

VI. Exhibit H (All potential grantees) – Certification: No current principals have been convicted of a felony financial crime in the last ten years

Please note, only awarded applicants will be required to fill out and provide documentation related to Exhibit F and G

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject an organization to suspension or debarment proceedings, as well as other remedies available to the State, by law.

[Minnesota Statutes §16B.981/Chapter 62 - MN Laws, Article 7, Section 11, subd. 3-5](#) establishes the authority for a granting agency to:

- Provide or require enhanced grant oversight
- Request additional information from a potential grantee to determine whether there is a substantial risk that the potential grantee cannot or would not perform the required duties of the Grant Contract Agreement.
 - The potential grantee has 15 business days to respond
- Develop a plan to address the risk or concerns identified
- Not award the grant.
 - The granting agency must provide notice of this determination to not award the grant to the grantee and the Commissioner of Administration.
 - The notice must include the following:
 - The reason for postponing/not awarding the grant
 - The timeline for the process for contesting the agency's decision

Audits

Per [Minnesota Statutes § 16B.98, subd. 8](#), the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the Commissioner of Administration, the State granting agency, the State Auditor, the Attorney General, and the Legislative Auditor as appropriate. This requirement will last for a minimum of six years from the grant contract agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Affirmative action and non-discrimination requirements for all grantees

- A. The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified. [Minn. Stat. § 363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. [Minn. R. 5000.3500](#).
- C. The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

Voter registration

The grantee will comply with [Minnesota Statutes §201.162](#) by providing voter registration services for its employees and for the public served by the grantee.

Grantee performance evaluation

For awards greater than \$25,000, a grantee performance evaluation will be posted publicly in accordance with [Minnesota Statutes § 16B.98, subd. 12](#) and [OGM Policy 08-13](#).

Right of cancellation

The State reserves the right to cancel this solicitation if it is considered to be in its best interest. The State reserves the right to negotiate modifications to the application or to reject any and all applications received as a result of this Request for Proposals. The State does not intend to award a grant contract agreement solely on the basis of any response made to this request, or pay for information solicited or obtained.

Exhibit 1: Application assessment sheet

Applicants must meet the following to be considered for funding:

Requirements	Meet/Does not meet
<p>Eligible applicants:</p> <p>The applicant owns and operates the refrigeration equipment located in Minnesota.</p> <p>The applicant is one of the following:</p> <ul style="list-style-type: none"> • A for-profit business with up to 150 retail food refrigeration facilities company-wide, including parent companies and all business operations. This sector includes but is not limited to North American Industrial Classification Codes 445110 and 452311. • A governmental entity, tribe, non-profit organization, or non-profit educational institution with any number of employees with: <ul style="list-style-type: none"> • retail food refrigeration • cold storage • A non-profit organization with any number of employees operating a food assistance program, such as a food shelf, food bank, or meals served on or off-site. • A for-profit business with 500 full-time employees or fewer with cold storage. This may also include cold storage businesses who store food and beverages for third parties as well as food producers and processors who need storage for their own products. 	
<p>Eligible projects:</p> <ul style="list-style-type: none"> • The project is replacing existing, operational, refrigeration systems located in Minnesota. • The total full charge size of the existing refrigeration system(s) to be replaced at one facility holds more than 300 pounds of refrigerant. • The refrigerant in the existing system(s) has a global warming potential(s) greater than 1300. • The replacement refrigerants are natural refrigerants. • The project includes the full or partial replacement of at least one system in an existing facility and may include the full or partial replacement of multiple systems in an existing facility. • The equipment being replaced includes field-erected systems and/or packaged, direct exchange systems. Replacing self-contained cases with self-contained cases is not eligible. However, replacing remote condensing units and centralized direct expansion systems with air-cooled self-contained cases or micro-distributed systems is eligible. • The project may replace existing heating, ventilation, air conditioning, and refrigeration integrated systems if the majority of the cooling load of the refrigeration system being replaced is for refrigeration. The total size/capacity of the replacement system(s) must not exceed 15% of the size/capacity of the 	

Requirements	Meet/Does not meet
<p>existing systems(s) to be replaced. Capacity will be measured by linear feet of cases, cubic feet of walk-ins, and/or cooling load ton.</p> <ul style="list-style-type: none"> • The provided budget is clear, addresses all major project costs, and explains how the applicant will finance expenses not covered by the grant. • The provided project timeline is realistic and covers major milestones. 	

Exhibit 2: Definitions

Cascade system: Consists of two independent refrigeration systems that share a common cascade heat exchanger. Each system uses a different refrigerant that is most suitable for the given temperature range.

Cold storage: A refrigerated facility or warehouse, or refrigeration system such as for walk-in coolers or freezers, used for the temperature-controlled storage of food and beverages intended for human or animal consumption. This sector includes but is not limited to NAICS codes starting with 493.

Central plant system (direct system): A custom-built refrigeration system that is typically used in large, refrigerated warehouses. Central plant systems deliver cool air to the refrigerated space through evaporators, which are typically suspended from the ceiling in the refrigerated space. The evaporators are connected through a piping network to multiple compressors located in a central machine room, and a condenser, which is typically mounted outside near the compressor.

Central plant systems may have a direct or indirect (secondary loop) design. Direct systems circulate a primary refrigerant throughout the refrigerated space. In an indirect system, a primary refrigerant cools a secondary refrigerant in the machine room, and the secondary refrigerant is then circulated throughout the refrigerated space.

Centralized direct expansion (DX) system: The compressors are mounted together and share suction and discharge refrigeration lines that run throughout the store, feeding refrigerant to the cases and coolers. The compressors are located in a separate machine room, either in the back of the store or on its roof, while the condensers are usually air-cooled and hence are placed outside to reject heat.

Full conversion: 100% replacement of an existing refrigeration system using a refrigerant with a global warming potential (GWP) greater than 1300 with an eligible refrigerant.

Full refrigerant charge: The amount of refrigerant required for normal operating characteristics and conditions.

Micro-distributed system with water loop: Cases are self-contained with a sealed refrigeration unit; cases are connected to a water-loop system to eject heat outside the store.

Natural refrigerants: Occur in nature's biological and chemical cycles without human intervention. These materials include ammonia, carbon dioxide, natural hydrocarbons (e.g. propane), water, and air.

Packaged systems: Are self-contained.

- In cold storage warehouses, they combine evaporator, compressor, and condenser in one frame. They are commonly installed on the roof of a refrigerated warehouse above the air-cooling units that are within the refrigerated space.
- In walk-in coolers and freezers, you may see packaged refrigeration systems (i.e., an evaporator and condensing unit in one frame) mounted on the roof or wall of a walk-in.

Partial conversion: Conversion of an existing refrigeration system using a refrigerant with a global warming potential (GWP) greater than 1300 to an indirect system (cascade or secondary loop system). The indirect system in a partial replacement must be able to use some of the existing refrigeration system equipment and must use an eligible refrigerant.

Retail food refrigeration: Retail food refrigeration includes equipment designed to store and display chilled or frozen goods for commercial sale or use, and may include equipment at a school or institutional cafeteria. This sector includes but is not limited to North American Industrial Classification Codes (NAICS) 445110 and 452311.

Remote condensing unit(s): Are composed of one (and sometimes two) compressor(s), one condenser, and one receiver assembled into a single unit, normally located external to the sales area. This equipment is connected to one or more nearby evaporator(s) used to cool food and beverages stored in display cases and/or walk-in storage rooms.

Secondary loop system: Is where a primary refrigerant is used in the central machinery room to cool a secondary heat transfer fluid, which is circulated to the display cases in the sales area.

Self-contained cases (no water loop): Self-contained or stand-alone refrigeration cases house all refrigeration components (e.g., evaporator, cooling coil, compressor, and condenser) within their structure. They are charged with refrigerant at the factory and typically require only an electricity supply to begin operation.

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