

Natural Refrigerants in Retail Food Refrigeration and Cold Storage – Larger systems (greater than 300 lbs)

Grants Request for Proposal (RFP)

Questions and answers

Q1. I am working with a client who manages a number of Grocery stores in Minnesota, and they are looking to replace their refrigerants in their system to low global warming potential refrigerants. Would they be able to qualify for the Minnesota climate smart food systems (CSFS) grant program?

A1. It is hard to say if your client is eligible without more information about the proposed project and applicant. Read the RFP carefully to understand eligible applicants (Section 3), eligible projects (Section 4), and replacement refrigerants (Section 4). Here is a link to the Request for Proposals: [Natural Refrigerants in Retail Food Refrigeration and Cold Storage – Larger systems \(greater than 300 lbs\)](#).

If eligible, businesses may apply for funding for multiple sites; each site needs its own application.

Q2. I was wondering if there was a requirement for the business to pay part of the cost? A couple of years ago we were awarded a grant, and funds became tight so were not able to come up with the 25% required. We have really old refrigerant, but it would still be extremely difficult for us to come up with the 25% if required.

A2. The match requirement for all grantees 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.

See Table 1 of Request for Proposals for maximum grant amounts, match requirement, application windows, and funding available per organization and facility type. Here is a link to the Request for Proposals: [Natural Refrigerants in Retail Food Refrigeration and Cold Storage – Larger systems \(greater than 300 lbs\)](#).

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.

0% 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.

Q3. I recently learned about the Natural Refrigerant Grant Program for refrigeration projects and I am very interested in applying. I would appreciate any information regarding the eligibility requirements, application process, evaluation criteria, and supporting documents needed to submit a competitive application. Specifically, I would like to know:

- Who is eligible to apply for this grant? *
- What documentation is required?
- Are there matching fund requirements?
- What types of refrigeration projects qualify for funding?

- What information should be included to strengthen an application?
- What are the application deadlines and review timelines?

I am interested in replacing an existing refrigeration system with equipment that uses natural refrigerants and would like to ensure that my project meets all program requirements before applying. Thank you for your time and assistance. I look forward to your guidance.

A3. View the [RFP](#) on the [CSFS: Natural refrigerants in retail food refrigeration and cold storage RFP](#) website for eligibility criteria, match requirements, application materials, and the application deadline. The application review process is in Section 8 of the RFP.

A strong application is a complete application. Review Section A and B application forms carefully to make sure you've entered all information requested about your existing and proposed systems. Include floor plans of your existing and proposed systems and have a thorough budget and project timeline. Complete Exhibits C, D, E, and H, as applicable.

Providing accurate descriptions of your existing and proposed equipment is critical. Share the RFP and application with your contractor and discuss your project to make sure it meets requirements before starting to apply.

You'll see that many areas in Application forms A and B have space to enter optional text. You may use these spaces to clarify your response if you feel it would help reviewers understand your project.

Reviewers will use the Application assessment sheet on pages 16 and 17 of the RFP to evaluate the project and applicant.

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.

Q4. Can this grant be used by meat processing facilities to install a new additional freezer for slaughtered animals to cool?

A4. You mention the facility is installing a "new additional freezer." To be eligible, the project would need to replace existing, operational, refrigeration systems holding more than 300 lbs of refrigerant at full charge, combined, at one facility. See the full description of eligible and ineligible projects in Section 4 of the [RFP](#).

Q5. I own Ebado's Mini Mart LLC, a small grocery store in Newport, Minnesota. We have commercial refrigeration equipment used for food and beverage sales. Before applying, I would like to know whether a small independently owned grocery/convenience store would be eligible for the Natural Refrigerants Larger Systems Grant Program.

A5. Please see Section 3. Eligible and ineligible applicants in the Request for Proposals at [Natural Refrigerants in Retail Food Refrigeration and Cold Storage – Larger systems \(greater than 300 lbs\)](#)

Also review the full criteria for eligible projects and replacement refrigerants in [Section 4 of the RFP](#).

One important eligibility item is that existing, operational system(s) being replaced must hold more than 300 lbs of refrigerant at full charge, combined, at one facility.

You describe yourself as a small grocery/convenience store. It is hard to say if the equipment will be eligible without more information. If you are using a mixture of remote condensing units and self-contained equipment, it seems unlikely your equipment will be eligible.

To verify your system(s) full charge, the refrigeration repair contractor that recently serviced your system would likely know the refrigerant capacity (in lbs. of refrigerant) if you do not already have that information.

Lastly, MPCA will have grant opportunities for replacing smaller refrigeration systems in the future. Sign up to be alerted at [Grants, loans, and contracts | Minnesota Pollution Control Agency](#) under "Stay connected."

Q6. I own a small independent restaurant in Minnesota and am interested in the Natural Refrigerants Larger Systems Grant Program.

We currently operate a walk-in freezer with a refrigeration system that is approximately 20 years old. Over the past 18 months, we have experienced multiple refrigerant leaks requiring four separate refrigerant recharges and approximately \$3,000 in repair expenses. The refrigeration equipment now appears to be at the end of its useful life and likely requires replacement.

We are interested in replacing the existing system with a lower-GWP refrigeration solution that would reduce refrigerant emissions, improve energy efficiency, and help prevent food loss and waste.

Our walk-in freezer box is approximately 5' x 8'. Before obtaining contractor proposals, I wanted to determine whether a project of this size may be eligible for funding under the program and whether restaurants with a single walk-in freezer system are eligible applicants.

A6. One important eligibility item is that the existing, operational system(s) being replaced must hold more than 300 lbs of refrigerant at full charge, combined, at one facility. See the full description of eligible projects in Section 4 of the [RFP](#).

Based on the description of what the system is servicing (5'x 8' walk-in freezer at a restaurant), it seems unlikely the system holds more than 300 lbs. If you would like to verify the system's full charge, the refrigeration repair contractor that recently serviced your system would likely know the refrigerant capacity (in lbs. of refrigerant) if you do not already have that information.

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Q7. I'm wondering if a convenience store walk-in cooler would be eligible with this Grant.

A7. One important eligibility item is that existing, operational systems being replaced must hold more than 300 lbs of refrigerant at full charge, combined, at one facility. See the full description of eligible projects in Section 4 of the [RFP](#).

Based on the description of what the system is servicing (a walk-in cooler at a convenience store), it seems unlikely the system will have a capacity of greater than 300 lbs. To verify the system(s) refrigerant capacity, the refrigeration repair contractor that recently serviced your system would likely know the refrigerant capacity (in lbs. of refrigerant) if you do not already have that information.

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Q8. I was reviewing the information for converting over to a more friendly freon source. Currently our ice cream machines are using 502 freon, I think this is a very old freon. The newer models use 449 freon. Does 449 qualify as a friendly freon?

A8. Eligible replacement refrigerants are natural refrigerants, including but not limited to, carbon dioxide (R-744), ammonia (R-717), and propane (R-290). Unfortunately, 449 freon would not qualify as a natural refrigerant.

Q9. I'm not sure if it's too late to apply for this grant but I wanted to see if our project would qualify. We run a C-store in west-central MN and are looking to replace an open-air cooler as well as a new prep table. Would this equipment upgrade be eligible under this grant?

A9. 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 p.m. Central Time on Thursday, May 27, 2027**, whichever occurs first.

One important eligibility item to mention is that existing, operational systems being replaced must hold more than 300 lbs of refrigerant at full charge, combined, at one facility. Based on the description of your equipment (open air cooler and new prep table at a convenience store), it seems unlikely it will meet the eligibility criteria for charge size. See the full description of eligible projects in Section 4 of the [RFP](#).

If you would like to verify the system(s) refrigerant capacity, the refrigeration repair contractor that recently serviced your system would likely know the refrigerant capacity (in lbs. of refrigerant) if you do not already have that information

Lastly, MPCA will have grant opportunities for replacing smaller refrigeration systems in the future. Sign up to be alerted at [Grants, loans, and contracts | Minnesota Pollution Control Agency](#) under “Stay connected.”

Q10. I’m reaching out on behalf of the City of Rogers, as we are interested in applying for the CSFS: Natural refrigerants in retail food refrigeration and cold storage grant. Currently, we operate an ice arena that uses approximately 700 pounds of R-22 refrigerant, and we are considering converting to a central ice plant with R-717 to serve two ice arenas.

We’d like to confirm whether our planned conversion would make us eligible for this grant opportunity. If possible, could you provide guidance on the eligibility criteria for municipalities like ours, or clarify whether our project falls within the grant's scope?

Thank you very much for your time and assistance. We’re excited about the possibility of moving forward with a more sustainable solution, and we look forward to your response.

A10. No, an ice rink refrigeration system would not fit in the list of eligible projects, Section 4 of the [RFP](#).

Q11. I have a strange situation. We were donated two refrigerated semi trailers that run on diesel. There is a way to plug them in, but we need to convert our current electric service to 3 - phase to make this happen, which would be expensive, but much more environmentally friendly than running diesel. Would this project qualify? Not sure what type of refrigeration they're charged with.

A11. No, this project would not qualify. As outlined in Section 4 of the [RFP](#), ineligible projects include refrigerated transport. Additionally, refrigerated trailers would not contain more than 300 lbs. of refrigerant as required by the RFP.

Q12. The reefer on our truck uses R404A refrigerant. Is that eligible for replacement?

A12. No, this project would not qualify. As outlined in Section 4 of the [RFP](#), ineligible projects include refrigerated transport. Additionally, refrigerated trailers would not contain more than 300 lbs. of refrigerant as required by the RFP.

Q13. Does each facility have to have more than the 300 pounds of refrigerant? We have 26 convenience stores located in Minnesota, but none of them hold 300 pounds of refrigerant. Are there any grants we might be eligible for with upgrading our walk-in coolers and freezers?

A13. The current grant Request for Proposals (RFP) requires 300 lbs. of refrigerant at one facility. What you have described as 26 separate facilities, none of which individually containing 300 or more pounds of refrigerant would not qualify for this RFP. See page 5, Section 4, Eligible projects in the RFP “Eligible projects include replacing existing, operational, refrigeration systems holding more than 300 pounds of refrigerant at full charge, combined, at one facility.”

You may be interested in another RFP expected to be published in the coming months that will allow smaller systems with less than 300 lbs. of refrigerant to qualify. If you are interested in receiving immediate notice when this next RFP is published, you can sign up for email alerts here: [Minnesota Pollution Control Agency](#). Signing up for grant alerts will provide a notification to you when any MPCA grant opportunity is posted.

August 5 Webinar Questions (questions 14-25)

Q14. I recently had a walk-in freezer and large island freezer replaced. How far back will a unit be eligible for grant?

A14. Unfortunately, this project would not qualify. The system must be existing at the time a grant agreement is executed. The grant program is not allowed to reimburse cost for equipment that has been paid for prior to the grant agreement being executed.

Q15. Can we get additional information on Buy America Build America requirement of the grant?

A15. The BABA requirements will only apply for projects that exceed \$250k in state invested dollars. For example, if you had a \$400,000 total project cost with a 50% match, the max grant award would be \$200,000 and BABA would not apply.

BABA is a complex requirement, please view the BABA requirements on the EPA website at [EPA Build America, Buy America \(BABA\) Act | US EPA](#). Pages 12-13 of the [grant RFP](#) also link to BABA resources. If you have questions after viewing the BABA requirements please submit your questions to grants.pca@state.mn.us, subject line "Natural Refrigerants Larger Systems Question."

Q16. What if you closed a facility with non-qualifying refrigerants and built a new facility with qualifying refrigerants.

A16. Unfortunately, this would not qualify as the grant program requires replacement of existing systems in the same facility.

Q17. We have a customer that has a specialty cheese store front. In addition to this, they have a cheese processing facility on the same premises. Because this project has a cheese store that would be considered retail, will this whole facility be eligible for the grant? Asking since this isn't fully retail.

A17. Yes, the facility described would be eligible for this grant program, assuming other program requirements such as business size are met.

Q18. The eligibility on the website states for a retail setting (for example, grocery store, convenience store, restaurant, school cafeteria), there is a max 150 location requirement. Can you confirm that the 150 max location requirement is throughout the US as it says company-wide?

A18. Yes, the 150 locations requirement is companywide, meaning that includes all location in and out of Minnesota and internationally as well.

Q19. Walk in freezer qualifies?

A19. Unfortunately, it is unlikely a single walk-in freezer will contain 300 lbs. or more refrigerant charge to qualify. However, you could ask a refrigerant contractor to help you verify the charge size.

Q20. Does the 300 lb accumulate or per unit?

A20. The more than 300 lbs. requirement can be achieved by adding together more than one unit at a facility. The units must be in the same facility location.

Q21. Can you provide an example of a facility size/type that would be approximately 300 lb of refrigerant (eg size of grocery store).

A21. It's hard to provide a definitive example because equipment can vary at facilities. A generalization would be that a small neighborhood store is likely to be under the charge size, but a smaller grocery store up to a facility the size of a Costco or Sam's club could have equipment that meets the charge requirement.

Q22. We have some customers that have already put in orders for equipment but haven't commenced any work on their projects. Would they be eligible or putting an order makes this ineligible?

A22. The project could be eligible as long as the equipment has not yet been purchased prior to the execution of a grant agreement.

Q23. Is the "smaller systems" grant still expected to be released at some point before the end of the year?

A23. Yes, it is expected that the smaller systems grant Request for Proposals (RFP) will be issued prior to the end of 2026. If you would like to sign up for grant alerts you can do that on the grant webpage and it will automatically email you when an RFP is issued. Here is a link to the email updates sign up page: [Minnesota Pollution Control Agency](#)

Q24. I recently had a walk-in freezer and large island freezer replaced. How far back will a unit be eligible for grant?

A24. Unfortunately, the requirement for this grant program is for existing systems so a previously replaced system would not be eligible.

Q25. Can you explain the two different categories of max requests? \$500,000 vs \$750,000?

A25. The categories are somewhat complex; it is suggested that you view the categories as defined in the [Request for Proposals](#) on the grant webpage. If you have questions after viewing the category chart, please submit your questions to grants.pca@state.mn.us, subject line "Natural Refrigerants Larger Systems Question."

Q26. Do franchises factor into the determination of the number of retail food facilities company-wide? I am working with a single location of a convenience store. The convenience store and property are locally/independently owned by an LLC that only has the one location, but the store is a franchisee of a large nationwide chain of convenience stores with >150 companywide locations. Is the number of locations counted based on ownership or franchise?

A26. Number of locations is counted based on the LLC's ownership. Please note the greater than 300 lbs of refrigerant requirement for this grant, as typically a convenience store would not have a refrigerant charge of that size. It is anticipated that a grant opportunity for smaller charged systems will be available later this year. If you'd like to be alerted about future grant opportunities, here is a link to sign up for email alerts: [Minnesota Pollution Control Agency](#).