Hazardous Fuels Transportation Assistance Program
Notice of Funding Opportunity (NOFO):

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## Notice of Funding Opportunity Summary

This notice of funding opportunity (NOFO) for the Hazardous Fuels Transportation Assistance (HFTA) Program is authorized and funded by the Inflation Reduction Act (IRA) (Public Law No: 117-169. Subtitle D, Sec. 23002(a)(5)). This provision includes “the hauling of material removed to reduce hazardous fuels to locations where that material can be utilized” and executed as a Wood Innovations grant under Section 8643 of the Agricultural Improvement Act of 2018 (7 U.S.C. 7655d). Proposals and/or projects must explain how and why they reduce hazardous fuels and why transportation to locations where they can be utilized is the limiting factor. These materials must be removed from National Forest System Lands (NFS) and/or demonstrate benefit to NFS lands. Project level applications will only be accepted from existing projects, e.g. Forest Service Contracts and Agreements.

## Information and Inquiries

Additional application information can be found at: <https://www.fs.usda.gov/managing-land/forest-management/products/hazardous-fuels-transport-assist-grants>

For inquiries specific to the content of the NOFO requirements, contact the following shared inbox NFSWOHFTA@usda.gov

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# PROGRAM DESCRIPTION

This notice of funding opportunity (NOFO) for the Hazardous Fuels Transportation Assistance (HFTA) Program is authorized and funded by the Inflation Reduction Act (IRA) (Public Law 117-169, Subtitle D, Sec. 23002(a)(5)). This provision includes “the hauling of material removed to reduce hazardous fuels to locations where that material can be utilized” and will be executed as a Wood Innovations grant under Section 8643 of the Agricultural Improvement Act of 2018 (7 U.S.C. 7655d). The HFTA program has the goal of increasing the removal of hazardous fuels from National Forest System lands, and/or the removal of hazardous fuels which benefits National Forest System lands and supporting the utilization of these wood resources to make contributions to the economy. In addition to contributing to this goal, successful grant applicants will also demonstrate transportation costs as a limiting factor to project viability. Each proposal and/or project will be reviewed by the USDA Forest Service (Forest Service) to determine eligibility.

The Forest Service anticipates additional opportunities for future NOFOs.

Proposals are expected from a diversity of applicants including manufacturing facilities, wood energy, and logging contractors. Organizations supporting underserved communities and first-time applicants for federal funds are encouraged to apply. Multiple projects from the same applicant are acceptable to encourage involvement from a wide variety of applicants and to capture learning for future program development. Hazardous Fuels Transportation projects will only be accepted from existing awarded projects, e.g. timber sale contracts and stewardship agreements or projects that benefit NFS lands through the removal of hazardous fuels. Projects that do not occur on NFS lands must demonstrate spatial and temporal relevance to NFS lands. If the applicant is not the Forest Service project holder, they must provide documentation with intent to procure hazardous fuels such as a draft supply agreement showing material origin and quantity. This requirement applies only to Example A below.

Examples of potential projects (not all inclusive), defined by product and type, are listed below:

Example A: Projects that include the transportation of *biomass and other non-merchantable materials* (i.e. Adding Optional Timber or Timber Subject to Agreement material in existing NFS Contracts and Agreements).

Example B: Projects that include the transportation of *merchantable materials* (e.g. Timber included in NFS Contracts and Agreements).

Example C: Projects that include the transportation *all materials* from NFS Contracts and Agreements (Example A & B).

Example D: Projects that include the transportation of *residual materials and bioproducts* from manufacturing processes to a location where they can be utilized.

The Forest Service anticipates up to $25 million may be awarded through this NOFO. Organizations supporting underserved communities and first-time applicants for federal funds are encouraged to apply.

Applicants may submit a proposal with multiple contracts and/or agreements for locations that require a transportation incentive for a maximum combined total request of $5 million. Entities that have subsidiaries and affiliates will be treated as one applicant. Justification for the transportation incentive and funding needs is required for each contract and/or agreement demonstrating why the material would not be used without the incentive. If multiple projects are submitted on one application, projects should be ranked in priority order. Based on anticipated funding demands, proposals should indicate if project funding requests are scalable. Applicants shall disclose all other federally-awarded grants specific to the proposed projects and/or agreements.

*NOTE*: This NOFO is not intended for Wood Innovations grant projects that support market development or facility investments (mass timber, renewable wood energy and related technologies). Please consult the [USDA Forest Service Wood Innovations program website](https://www.fs.usda.gov/science-technology/energy-forest-products/wood-innovation) for upcoming funding opportunities for these purposes.

## Background

In January 2022, the U.S. Department of Agriculture’s Forest Service announced the Wildfire Crisis Strategy. This strategy provided a vision for what it will take to meaningfully change

how people, communities, and natural resources manage wildfire risk.

To increase the pace and scale of implementation of the Forest Service’s Wildfire Crisis Strategy (WCS), innovative solutions are necessary to ensure the material generated through treatments is effectively moved to forest product facilities. Hazardous Fuels Transportation Assistance (HFTA) grants are intended to incentivize the removal of forest products when the transportation costs are a barrier to treatment. The lack of forest markets and the distance from national forests to forest product facilities has been identified as a significant barrier to treating the necessary acres to reduce hazardous fuels.

# FEDERAL AWARD INFORMATION

## Funding Availability

The Forest Service anticipates offering a series of funding opportunities under IRA Hazardous Fuels Transportation Assistance. The agency plans to award up to $25 million total through this NOFO.

## SAM.gov Registration

All applicants must have a Unique Entity Identifier (UEI) with the System for Award Management (SAM.gov). This is the government-wide web-based system that supports all contracts, grants, and the electronic payment system. In order to expedite and streamline the grant process and distribution of payments, funding may be awarded to a Grant Administrator(s) who then oversee(s) and distribute(s) funding for the selected proposals and/or projects. The Forest Service will review and award grants and may engage with 3rd party administrator(s) to deliver the program. If an award is made directly from the Forest Service to an awardee, a full, active registration with SAM.gov is required.

## Match Contribution

There is a 50 percent match requirement for the IRA HFTA program and the match expenses must be directly associated with execution of the awarded project(s). For example, a proposal for $100,000 in federal funding requires a minimum of $50,000 in match from non-Federal sources to equal $150,000 in total expenses. Please see attached Frequently Asked Questions document for examples of eligible matching expenses.

## Project Performance Period

Awarded projects are expected to be implemented and completed within twelve months of award or 2 full contract or agreement operating seasons. Extension may be approved with adequate justification. Successful award of a grant does not qualify a recipient for an extension on an existing Forest Service timber contract or stewardship agreement.

## Reporting Requirements

Financial reports and narrative progress reports must be submitted quarterly. Reports are due 30 days after the end of the reporting period. Timely submittal of financial and progress reports for each award is required. Payments cannot be processed until missing reports are received and approved. Progress reports should highlight direct quantitative and qualitative investment activities and outcomes and include illustrative impact stories. Geospatial data files that outline the project area and any other relevant data will be required as part of regular reporting. Successful projects will be outcome-oriented with well-designed indicators and clear monitoring and evaluation plans.

# ELIGIBILITY

To apply for this grant program, an entity must have a Unique Entity Identifier (UEI) with SAM.gov. If an award is made directly from the Forest Service to an awardee, a full, active registration with SAM.gov is required.

## Who Can Apply

The following entities are eligible to submit a project proposal:

* For-Profit Entities
* Non-Profit Entities
* U.S. State Governments
* U.S. Local Governments
* Tribal Entities
* Education Institutions

## Eligible Lands

Project proposals must occur on, or demonstrate benefit to, National Forest System Lands.

#### Screening Tool and Data for Geographic Prioritization

Applications will be evaluated based on benefits to disadvantaged communities. Applicants should use the screening tool and data sets described below or another appropriate/equivalent source to identify target geographies identified as disadvantaged communities.

##### Climate and Economic Justice Screening Tool

The White House Council on Environmental Quality’s [Climate and Economic Justice Screening Tool](https://screeningtool.geoplatform.gov/en/#3/33.47/-97.5) (CEJST) identifies disadvantaged communities using indicators of burden. Communities that are at or above the threshold for one or more environmental, climate, or other burdens and at or above the threshold for an associated socio-economic burden are identified as disadvantaged. The tool also identifies communities as disadvantaged if they are on land within the boundaries of Federally Recognized Tribes. Applicants and project implementers should use CEJST to identify areas of geographic prioritization for outreach, technical assistance, and program implementation.[[1]](#footnote-2)

## Eligible Expenses

Eligible expenses authorized for grants and qualifying match under this program shall be limited to the list below:

* Transportation of forest products including logs, roundwood, chips, biomass, and other restoration byproducts from authorized projects to facilities for use in wood products and/or wood energy. Transportation mode includes but is not limited to rail, trucking, barge, and combinations of more than one mode.
* Loading and offloading of wood materials.
* Costs associated with woodyards, loading facilities, scales, custom chipping, and other items related to timber transport.
* Debarking for the purpose of preventing spread of bark-dwelling insects to quarantined areas or other areas where responsible officials provide rationale and maps explaining their concerns.
* Modification of equipment to facilitate efficient transport of timber.
* Maintenance of equipment directly related to material used under this agreement.
* Leasing of mobile equipment (does not include “lease to own”).
* Stationary equipment - with prior written approval from the Forest Service

Eligible expenses incurred prior to announcement of successful HFTA program applicants are not authorized for reimbursement. Eligible expenses for match may be incurred up to 3 months prior to grant award execution.

## Ineligible Uses of Grant Funds

* New construction and capital improvements including facilities, infrastructure, roads, buildings, culverts, and boardwalks.
* Stumpage or timber purchases
* Fees associated with memberships to organizations, cooperatives, or entities.
* Land acquisition (conservation easement and fee simple) projects.
* Small business start-up funding.
* Equipment purchases are rarely approved and will be reviewed prior to grant award. Equipment rental should be considered as an alternative. Equipment is defined as an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.
* Lobbying, litigation, or political advocacy.
* Initial resources to capitalize a revolving fund, defined as a pool of capital that can be loaned and replenished as a borrower pays back a lender.
* Profit is not an allowable expense as specified in the Uniform Guidance (2 CFR 200), with which all grant recipients must comply.

# APPLICATION SUBMISSION

There is no formal application process prescribed form or format for applicants to submit applications for this opportunity. Applications be submitted as a Word or PDF document and must include the required content described below. The Forest Service may choose not to consider applications that fail to comply with the required content and page limits, or those that are incomplete.

Application Documents

Each page must be numbered and have one-inch margins. The text of the project narrative should be single spaced and typed in a standard typeface (e.g., Times New Roman, Arial, Calibri) with no smaller than 12-point font. To be considered for funding under this opportunity, an application must contain the following required information:

1. Cover Page
2. Proposal and/or project Narrative(s) - Separate narratives are required for each project
3. Detailed Budget or Standard Form SF-424A – a summary budget as well as separate budgets are needed if more than one project is included in the application.
4. Budget Narrative
5. Financial Statements
6. Letter(s) of Collaboration (if applicable)
7. Match Verification (if applicable)
8. SF-424 (standard form)
9. Negotiated Indirect Cost Rate Agreement (NICRA) (if applicable)

Cover Page

The application cover page should include the following:

* + **Title:** Provide a short title for this application. Use this title consistently on all submission communications and supplemental documents.
	+ **Applicant:** Provide the name of the organization and the SAM.gov UEI applying for Federal funding, and all subsidiaries and/or affiliates. The applicant should be the same name as registered in SAM.GOV.
	+ **Contact Information:** Provide the name, title, address, phone number, and email address for the primary contact for the application.
	+ **Product Type:** Indicate the forest product(s) you intend to transport with this grant.
	+ **Funding Requested and Match Provided:** Provide a brief overview of funding request and how match will be provided.

Application: Narrative

A single application may include a single or multiple projects. **Each project will include a narrative justifying the transportation incentive and a budget.** The project narrative for each individual project should not exceed two pages (excluding budget) and should include the components listed below.

* 1. **Project Name**
	2. **Project Problem Statement:** In fewer than 100 words, provide a summary of the project that includes transportation challenges, scope, location, key partners, and expected accomplishments.
	3. **Alignment:** Explain how the project will result in moving additional materials that would not otherwise be utilized.
	4. **Project Partners:** Provide the name(s) of other entities participating in the project and briefly describe their involvement and contributions to the project.
	5. **Strategic Geographic Focus:** Describe the geography (or geographies) impacted and how the project aligns to strategic conservation priorities, such as [State Forest Action Plans,](https://www.stateforesters.org/forest-action-plans/) landscape scale conservation initiatives, the Forest Service [Wildfire Crisis Strategy](https://www.fs.usda.gov/managing-land/wildfire-crisis), the Forest Service Climate Adaptation Plan, or other relevant strategies reflecting diverse stakeholder input and coordinated partner collaboration.
	6. **Implementation Strategy/Methodology/Timeline:** Provide a detailed explanation of the proposed approach, methodology, incentive justification, and project schedule/timeline with goals/milestones and expected accomplishments**.**
	7. **Strategies for Addressing Barriers/Challenges to Disadvantaged/Underserved Communities:** If applicable, explain how your project will benefit underserved communities including how financial, social, or cultural barriers might be addressed.
	8. **Match:** Demonstrate how 50 percent match will be met.
	9. **Measurable Outcomes and Impact:** Describe how impact will be measured; explain the metrics and processes to determine acres treated and/or quantity of hazardous fuels removed. If aligning with an existing strategy or action plan, indicate how relevant metrics will be used and modeled.
	10. **Monitoring and Evaluation:** Explain how your project will track success and adaptively address new challenges and opportunities as they arise.
	11. **Capability and Capacity:** Describe how capacity exists or will be developed for program delivery and financial oversight.

Application: Budget

*Detailed Budget*

Each application should include a detailed budget. **Applications that include activities related to more than one project should include separate budgets for each project as well as one consolidated summary budget.**

Project start and end dates should define the period during which all proposed work is accomplished, and all requested funds are spent. All existing contract terms apply including sale expiration. Budget categories include the following:

* Contractual (e.g., contract for services like hauling, equipment rental)
* Personnel (actual cost). *NOTE*: Fringe benefits should be identified separately from salary. No other expenses (e.g., fees, benefits) can be included in “Personnel” beyond direct compensation to individuals for time worked.
* Fringe benefits.
* Equipment (cost of purchase, not rental). *NOTE*: The definition of equipment is tangible personal property having a useful life of more than one year and a per-unit acquisition cost of at least $5,000. Equipment purchase is highly discouraged. Consider equipment rental instead.
* Supplies (tangible personal property other than equipment).
* Other: Explain these costs in the Budget Narrative
* Indirect costs

Indirect Costs

An applicant who will have indirect costs or will administer multiple contracts with different contract holders may elect to assess indirect costs against this award following the direction at 2 CFR 200.414. If the applicant has a Negotiated Indirect Cost Rate Agreement (NICRA), the NICRA rate can be used, and a copy of the NICRA must be submitted with the proposal. In the absence of a NICRA, an applicant may elect to use the de minimis rate of 10% applied to modified total direct costs (see details below).

* **Negotiated Indirect Cost Rate Agreement (NICRA):** May be used, if established.
* **De Minimis Rate:** Any non-Federal entity (except state and local governments that receive more than $35 million per year in Federal funding) lacking a current negotiated (including provisional) indirect rate (NICRA) may elect to charge a de minimis rate of 10 percent of modified total direct costs (MTDC) which may be used indefinitely. No documentation is required to justify the 10 percent de minimis indirect cost rate. As described in 2 CFR 200.403(d), costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.
* **Modified Total Direct Cost (MTDC):** MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

*Budget Narrative*

Explain and justify all requested budget items/costs. List in detail how the totals on the budget were determined and demonstrate a clear connection between costs and the proposed project activities. For personnel salary costs, include the base-line salary figures and the estimates of time to be directly charged to the project. Describe any item that under the applicable Federal cost principles requires the agency’s approval and estimate its cost.[[2]](#footnote-3)

Other Required Supporting Documents

Letters of Collaboration

Include signed letters from each collaborating partner that will be actively involved in delivery of proposed project activities, including descriptions of intent and capacity to fulfill intended roles and responsibilities.

Match Verification

Include signed support letter(s) or other form of verification, if applicable, by financial institution of record.

EVALUATION CRITERIA

All applications will be screened for relevance, accuracy, completeness, and compliance with Forest Service policies. Proposals will then be evaluated based on the extent to which they meet all of the following criteria:

* Treatment of priority hazardous fuels (high risk fireshed, WCS landscape) -20%
* Increases pace and scale of work benefiting National Forest System lands – 15%
* Volume transported in green tons and/or acres treated- 15%
* Wood material utilization infrastructure retention & benefit -10%
* Readiness for implementation -10%
* Benefit to Disadvantaged Communities – 10%
* Cost effectiveness – 10%
* Justification of transportation incentive – 5%
* Innovative Approach – 5%

The agency will also account for program portfolio balance (e.g., geographic location, entity type, scope of activities, and program beneficiaries) and past performance in determining awards to be funded.

SUBMISSION INFORMATION

Applications are to be submitted via email to: NFSWOHFTA@usda.gov.

**We recommend submitting your application package at least 24-48 hours prior to application deadline date to provide sufficient time to correct any potential technical issues that may impact the application submission.**

CONTACT FOR FURTHER INFORMATION

For inquiries specific to the content of the NOFO requirements, contact the following shared inbox: NFSWOHFTA@usda.gov. The Forest Service will provide at least two Application Assistance Webinars to assist with specific questions and inquiries. If you would like to receive a direct invitation for these sessions, please reference our supporting partner’s website: [https://www.nwtf.org/content-hub/usfs-hazardous-fuels-transportation-assistance-program](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.nwtf.org%2Fcontent-hub%2Fusfs-hazardous-fuels-transportation-assistance-program&data=05%7C02%7CEliseo.Ilano%40usda.gov%7C6af48109833a47e377f008dcb23bebd3%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C1%7C0%7C638581217631804029%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=4cTBkUMty%2Fc8qnpvwZ5ySiKne%2BDVUNhO%2FMiLzvylpIg%3D&reserved=0)

1. [↑](#footnote-ref-2)
2. [↑](#footnote-ref-3)