

**SGIG Kickoff Meeting**  
**Negotiating Group Question/Answer Sessions**  
**November 19, 2009**

**Q:** What happens now?

**A:** The negotiation process starts tomorrow [November 20, 2009], when DOE will be sending the Awardees an e-mail with information about which website to go to for clarification and direction, information from the Office of Civil Rights, and answers to some of the questions that came up in the meeting.

DOE will be gathering information about the questions concerning cyber requirements, metrics, and reporting requirements and will be getting back to the awardees about those issues the week after Thanksgiving. We have done a review of the budgets, and emails will be sent giving opportunities to address any issues. We will also re-review technical and cost proposals.

**Q:** Is there a schedule right now?

**A:** It's a little hard to predict exactly. We do need to re-review the proposals now that we're very serious about this specific set. We plan to send out next week reviews of cost proposals with a timeline request for revisions.

Once the technical and financial information is compiled, we will be close to making the awards. Concerns from today need to be addressed in the master agreement—intellectual property, reporting, etc. We want to make sure the contract is as close to the project plan as possible. Once that is complete, we will communicate with each recipient via email. You can expect to receive the award three to five days after the email.

**Q:** We understand we're responsible for revising our budgets. When will the revisions be due?

**A:** They're not necessarily required. If your budget is okay, we'll tell you it's okay. We will ask for revisions based on recommendations from previous meetings and issues we find during re-review.

**Q:** What level of detail are you looking for?

**A:** We will be looking for areas that need clarification.

**Q:** Can you give us guidance on indirect costs?

**A:** You will need some background information for justification.

**Q:** If our budget changed, should we change it now?

**A:** Yes, that's a good idea.

**Q:** What do we need to provide so that you can verify audit requirements?

**A:** Whatever audit information you have; your cognizant review is sufficient. If you've never been audited, you'll have to be, but you don't need a DCAA. Payroll data, wage information, and policies are valid to support your proposed costs.

**Q:** Once you come to us with our project-specific cyber security plan, what is the timeframe?

**A:** We hope to have a really quick turnaround. The goal is to have 80% of the negotiations complete by the end of December, although DOE realizes that is a very ambitious target. Some items may be handled after the award. We may stagger some aspects, such as cyber security and the project plan. Our immediate goal is to resolve budgeting issues, so you will have time afterwards for the rest. Just support the information that you put in your cost proposal, and if we can verify it, we'll make the award.

**Q:** With the aggressive timeline, what is your process for determining the requirements for certain areas, such as cyber security? Will we have to sign a contract stating that we'll follow requirements we haven't seen?

**A:** It won't be incorporated into your award; we'll implement it later. The contract would have a stipulation.

**Q:** What if there is a high cyber security cost? We would have to adjust budget in other areas, like scope, in order to accommodate.

**A:** We will accept that. We will make it possible.

**Q:** Can the compliance cost of reporting be shared?

**A:** It shouldn't be too much. But if you feel the burden is too high, let us know.

**Q:** We have a matching share supported by a rate increase. Can we talk about that?

**A:** Yes, we would be glad to talk with you about that.

**Q:** What can you tell us in terms of unclear issues?

**A:** We will educate you all on what you need to know. Regarding smart grid metrics specifically, we have developed a draft computation tool that we will release, the algorithms that determine impact. You may use it or not use it.

**Q:** Can you speak about the process, negotiations, and changes on projects? How do you see that process?

**A:** Items of concern which are unique to that project will be handled in the negotiating process. Certain items from reporting and intellectual property, once they are identified, are non-negotiable. You can either accept them or reject them.

**Q:** Can you identify non-negotiable items?

**A:** No. You need to come up with what you're not pleased with and then say, "This isn't in the agreement."

**Q:** Would the issues that were brought up today be part of negotiations?

**A:** There are items of negotiation that were addressed today that need to be identified by our office, and those will be communicated to each applicant and each applicant will have the opportunity to get back to the project manager.

**Q:** There might be information from one negotiation that would be useful in another. Will there be consistency in negotiations?

**A:** The six teams will work together to improve communications. There will be six technical specialists, and they will talk about anything we have flagged and come to an agreement. We have to communicate lessons learned so we all treat projects essentially the same.

**Q:** Is it okay if we give you red-line on the draft of our grant?

**A:** There's a chance the things you take issue with will be okay with us.

**Q:** Do we need to return to Washington, DC, for the final agreement?

**A:** The negotiations will take place primarily through e-mail and phone calls. But we are open to having face-to-face meetings if necessary.

**Q:** Sometimes conversations are better than lawyer-to-lawyer communication. Can we do that?

**A:** Yes, many times this can be effective.

**Q:** What if we need to update our email addresses or points of contact?

**A:** Double-check emails and contacts on the SF-424 and make any updates by email.

**Q:** Can we add people to a cc list for emails?

**A:** Yes. We have a POC to engage initially, but we'll go beyond that.

**Q:** What about the issue related to mortgages on our equipment?

**A:** That's an issue General Counsel will answer for everyone.

**Q:** Is there someone who reviews our projects for NEPA?

**A:** Yes, they were evaluated already.

**Q:**

**A:** These are grants, not contracts, and they are the loosest mechanism that DOE can use with the least amount of government intervention. They will be paid out by the agreed cost share as invoices are submitted.

**Q:**

**A:** Money that has not been spent that is deobligated after 2010 could be lost back to the Treasury. If all of the money that is allocated is not spent, the remainder can be renegotiated. But if the project costs go over, the Awardee has a couple of options: cover the costs out-of-pocket or scale down the project.