REDACTED

FOIA EXEMPTION 4

AWD-011 RE Questions Re Rescope of BP1 to Include Additional Equip.

From: Sarah McQuaid [smcquaid@solazyme.com]
Sent: Wednesday, December 08, 2010 3:50 PM
To: Sterner, Christy
Cc: Bob Florence; Adrian Galvez; Hank Majdeski; David Brinkmann
Subject: RE: Questions Re: Rescope of BP1 to Include Additional Equip.
Attachments: Cherokee Demolition Estimate - DA2010-07-15 (2).pdf

Hi Christy,

REDACTED
EXEMPTION 4

Best regards,

Sarah

Sarah Larkin McQuaid, Ph.D., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055

-----Original Message-----
From: Sterner, Christy [mailto:christy.sterner@go.doe.gov]
Sent: Tuesday, December 07, 2010 8:51 AM
To: Sarah McQuaid
Cc: Lindeman, Chris
Subject: Questions Re: Rescope of BP1 to Include Additional Equip.
Importance: High

Hi Sarah,

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

Best regards,

Christy Sterner
Project Officer
U.S. Department of Energy
Golden Field Office
Phone: 303-275-4720
Fax: 303-275-4753
email: christy.sterner@go.doe.gov

Go to http://www.eere.energy.gov/golden/funding.aspx for important news regarding Grants.gov.

AWD-011 FW Questions Re Rescope of BP1 to Include Additional Equip 2.

From: Sarah McQuaid [smcquaid@solazyme.com]
Sent: Friday, December 17, 2010 3:30 PM
To: Sterner, Christy
Cc: Bob Florence; Adrian Galvez; Gayle McKenzie; David Brinkmann
Subject: FW: Questions Re: Rescope of BP1 to Include Additional Equip.
Attachments: Annotated - SzIBR Proposal Update 8Apr2010.pdf; OBG_Task_Orders_1_2_Dec2010.pdf; OBG - TO #2 Cost Est.pdf

Hi Christy,

REDACTED
EXEMPTION 4

Please let me know if you have any additional questions.

Best regards,

Sarah

-----Original Message-----
From: Sarah McQuaid
Sent: Thursday, December 16, 2010 12:26 PM
To: Gayle McKenzie
Subject: RE: Questions Re: Rescope of BP1 to Include Additional Equip.

Hi Gayle, here is the new text and annotated attachments we discussed this morning...

AWD-011 FW Questions Re Rescope of BP1 to Include Additional Equip 2.

Hi Christy

REDACTED
EXEMPTION 4

Please let me know if you have any additional questions.

Best regards,

Sarah

Sarah Larkin McQuaid, Ph.D., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055

-----Original Message-----

From: Sterner, Christy [mailto:christy.sterner@go.doe.gov]

Sent: Tuesday, December 07, 2010 8:51 AM

AWD-011 FW Questions Re Rescope of BP1 to Include Additional Equip 2.
To: Sarah McQuaid

Cc: Lindeman, Chris

Subject: Questions Re: Rescope of BP1 to Include Additional Equip.

Importance: High

Hi Sarah,

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

Best regards,

Christy Sterner
Project Officer
U.S. Department of Energy
Golden Field Office
Phone: 303-275-4720
Fax: 303-275-4753
email: christy.sterner@go.doe.gov

Go to http://www.eere.energy.gov/golden/funding.aspx for important news regarding Grants.gov.

Wise, Melissa

From: Wise, Melissa
Sent: Wednesday, March 02, 2011 9:55 AM
To: Hames, Molly
Subject: FW: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Molly,

Please include a copy of the e-mail below. With Pam's e-mail, [redacted] REDACTED EXEMPTION 5 (Deliberative Process)

Thanks! REDACTED EXEMPTION 4
Melissa

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

-----Original Message-----
From: Lavergne, Pamela
Sent: Wednesday, March 02, 2011 9:49 AM
To: Wise, Melissa
Cc: Sterner, Christy
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Melissa,

Per Christy's email below, and from our conversations, please utilize this email as approval for Solazyme to take the balance of capped indirect costs, if it has been incurred. The DOE understands the Recipient is utilizing the accounting [redacted] REDACTED EXEMPTION 4 [redacted] REDACTED EXEMPTION 5

Thank you,
Pam

Pam Lavergne
U.S. Department of Energy
Contract Cost/Price ACO
Direct: 720-356-1474
FAX: 720-356-1550

"The Greatest Casualty is Being Forgotten. We are the Land of the Free, Because of the Brave"

-----Original Message-----
From: Sterner, Christy
Sent: Tuesday, March 01, 2011 5:41 PM
To: Lavergne, Pamela
Cc: Wise, Melissa
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Importance: High

Hi Pam,

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

Thanks again for your help!

Best regards,

Christy

-----Original Message-----
From: Lavergne, Pamela
Sent: Tuesday, March 01, 2011 3:26 PM
To: Sterner, Christy
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Christy,

Just give me a call. Thanks

Pam Lavergne
U.S. Department of Energy
Contract Cost/Price ACO
Direct: 720-356-1474
FAX: 720-356-1550

"The Greatest Casualty is Being Forgotten. We are the Land of the Free, Because of the Brave"

-----Original Message-----
From: Sterner, Christy
Sent: Tuesday, March 01, 2011 3:21 PM
To: Lavergne, Pamela
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877
Importance: High

Hi Pam,

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

Would you be available and willi[illegible]o meet with me briefly to discuss this? I a[illegible]aving difficulty explaining and discussing this with them (and a path forward) because I have questions myself. I am working at home at the moment, but I don't live far from work and could be there in about 15 minutes. If you're available today, that would be great. If not, can I schedule a brief meeting for tomorrow morning?

Thanks for your help and best regards,

Christy

-----Original Message-----
From: Lavergne, Pamela
Sent: Tuesday, March 01, 2011 1:37 PM
To: 'Sarah McQuaid'; Wise, Melissa
Cc: Sterner, Christy; Bob Florence; Gayle McKenzie; Yelena Popova; Susan Wong; Tyler Painter
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Good Afternoon,

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

Thank you,
Pam

Pam Lavergne
U.S. Department of Energy
Contract Cost/Price ACO

Direct: 720-356-1474
FAX: 720-356-1550

"The Greatest Casualty is Being Forgotten. We are the Land of the Free, Because of the Brave"

-----Original Message-----
From: Sarah McQuaid [mailto:smcquaid@solazyme.com]
Sent: Tuesday, March 01, 2011 12:28 PM
To: Wise, Melissa
Cc: Sterner, Christy; Lavergne, Pamela; Bob Florence; Gayle McKenzie; Yelena Popova; Susan Wong; Tyler Painter
Subject: RE: Decision Change - Indirect Charges for DOE Award DE-EE0002877

Hi again Melissa,

REDACTED
EXEMPTION 4

Sarah Larkin McQuaid, Ph.D., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055

-----Original Message-----
From: Wise, Melissa [mailto:melissa.wise@go.doe.gov]
Sent: Tuesday, March 01, 2011 8:59 AM
To: Sarah McQuaid
Cc: Sterner, Christy; Lavergne, Pamela
Subject: RE: Decision Change - Indirect Charges for DOE Award
DE-EE0002877

Sarah,

I am heading to a 10am meeting. I am attaching the C/P comments, and hope that Pam Lavergne can respond.

REDACTED
EXEMPTION 4

Thanks,
Melissa

Melissa Wise
Grants and Agreements Specialist

-----Original Message-----
From: Sarah McQuaid [mailto:smcquaid@solazyme.com]
Sent: Tuesday, March 01, 2011 9:44 AM
To: Wise, Melissa
Cc: Sterner, Christy; Hames, Molly; Yelena Popova; Bob Florence; Adrian Galvez; Gayle McKenzie; Susan Wong
Subject: RE: Decision Change - Indirect Charges for DOE Award
DE-EE0002877

Hi Melissa,

We enjoyed speaking with you also Melissa and we thank you for your time.

REDACTED
EXEMPTION 4

Best regards,

Sarah

_____
Sarah Larkin McQuaid, Ph.D., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055
-----Original Message-----
From: Wise, Melissa [mailto:melissa.wise@go.doe.gov]
Sent: Tuesday, March 01, 2011 8:10 AM
To: Sarah McQuaid
Cc: Sterner, Christy; Hames, Molly
Subject: Decision Change - Indirect Charges for DOE Award DE-EE0002877
Importance: High

Hi Sarah,

It was a pleasure speaking with you and your team yesterday evening.

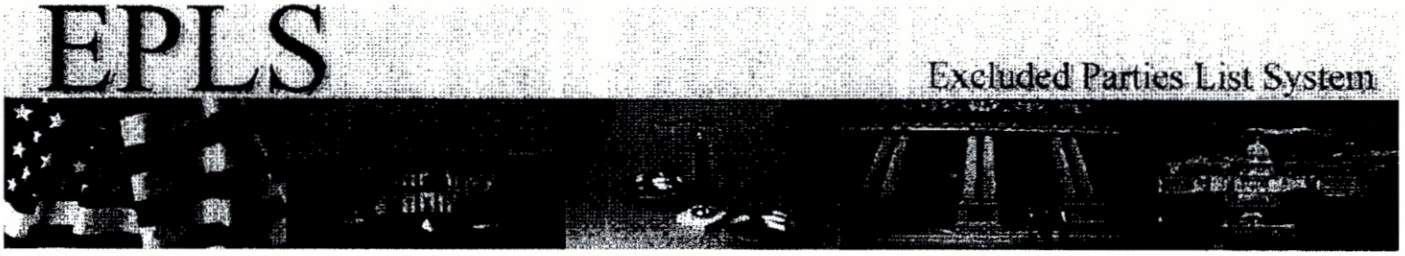
REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

I apologize for causing any confusion.

Sincerely,
Melissa

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office



Search - Current Exclusions

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> Multiple Names
> Exact Name and SSN/TIN
> MyEPLS
> Recent Updates
> Browse All Records

View Cause and Treatment Code Descriptions

> Reciprocal Codes
> Procurement Codes
> Nonprocurement Codes

Agency & Acronym Information

> Agency Contacts
> Agency Descriptions
> State/Country Code Descriptions

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> Debar Maintenance
> Administration
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EPLS Search Results

Search Results for Parties Excluded by

Firm, Entity, or Vessel : Solazyme Inc.
Firm, Entity, or Vessel : Cherokee Pharmaceuticals LLC
Firm, Entity, or Vessel : Abengoa BioEnergy
Firm, Entity, or Vessel : Bluefire Ethanol Inc.
Firm, Entity, or Vessel : UOP LLC
Firm, Entity, or Vessel : Natural Resources Group LLC

As of 03-Feb-2011 2:16 PM EST

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Search - Current Exclusions

- > Advanced Search
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- > Exact Name and SSN/TIN
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View Cause and Treatment Code Descriptions

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- > Procurement Codes
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Agency & Acronym Information

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- > Agency Descriptions
- > State/Country Code Descriptions

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EPLS Search Results

Search Results for Parties Excluded by

Firm, Entity, or Vessel : Renewable Energy Group, Inc.
Firm, Entity, or Vessel : O'Brien & Gere
Firm, Entity, or Vessel : GEA
Firm, Entity, or Vessel : LCI
Firm, Entity, or Vessel : NRG
Firm, Entity, or Vessel : Brownstein Hyatt Farber Schreck
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- > Multiple Names
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- > Agency Descriptions
- > State/Country Code Descriptions

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EPLS Search Results

Search Results for Parties Excluded by

Individual : David Ephron
Individual : Gypsy Achong
Individual : David Brinkmann
Individual : Sarah McQuaid
Individual : Gayle McKenzie
Individual : Yelena Popova

As of 03-Feb-2011 2:19 PM EST

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- > Agency Descriptions
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Individual : Bob Florence
As of 03-Feb-2011 2:20 PM EST
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- > Dashboard

Archive Search - Past Exclusions

- > Advanced Archive Search
- > Multiple Names
- > Recent Updates
- > Browse All Records

Contact Information

- > For Help: Federal Service Desk

Proposed language for Program Income

From: Sarah McQuaid [smcquaid@solazyme.com]
Sent: Tuesday, June 01, 2010 4:03 PM
To: Sterner, Christy
Cc: Schledorn, Michael; neil.rossmeissl@go.doe.gov; Graber, Kim; Wise, Melissa; David Isaacs; Bob Florence; Tyler Painter; Gayle McKenzie
Subject: Proposed language for Program Income

Dear Christy,

We had a second action item from the conference call between DOE and Solazyme of 13 May, which was to propose language to clarify the allowed disposition of program income, if any, resulting from the SzIBR Integrated Biorefinery program (EE0002877). Please find the proposed language below.

we welcome your questions or comments.

Very best regards,

Sarah

****

Proposed Language:

USE OF PROGRAM INCOME - COST SHARING (ALTERNATIVE TWO) (See,10 CFR Part 600. 314(d)(2))

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

Sarah Larkin McQuaid, Ph.D., P.M.P.,

Assoc. Director Program Management,

Solazyme Inc.

Phone: 650.780.4777 x 5122

Hames, Molly

From: Sterner, Christy
Sent: Thursday, January 13, 2011 1:59 PM
To: Lindeman, Chris
Subject: FW: Request for no-cost extension to BP-1 of DE-EE0002877

Hi Chris,

Per the email trail below, **I concur with Solazyme's request to extend BP1 through 9/30/11 and to extend the overall project through 3/31/2014.** Thank you for your help in preparing the requisition and amendment package.

Thanks and best regards,

Christy Sterner
U.S. DOE

Go to http://www.eere.energy.gov/golden/funding.aspx for important news regarding Grants.gov.

-----Original Message-----
From: Sarah McQuaid [mailto:smcquaid@solazyme.com]
Sent: Wednesday, January 12, 2011 3:38 PM
To: Lindeman, Chris; Sterner, Christy
Cc: Bob Florence; Adrian Galvez; Tyler Painter
Subject: RE: Request for no-cost extension to BP-1 of DE-EE0002877

Hi Chris,

To your first question: thank you for the reminder, because if possible we would like an extension of the BP2 end date as well. Can we extend more than 6 months onto BP2 end-date? Currently the BP2 end date is set for 03/31/2013 which doesn't match even our original baseline timeline, or any of the milestone dates we previously reported out to DOE. I would like a 12 month extension to 3/31/2014, just to be ultra-conservative.
Would that be possible?

Regarding your second question: yes, the new end-date for BP1 would be 9/30/2011.

Many thanks Chris, and best regards,

Sarah

Sarah Larkin McQuaid, Ph.D., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055

-----Original Message-----
From: Lindeman, Chris [mailto:chris.lindeman@go.doe.gov]
Sent: Wednesday, January 12, 2011 2:05 PM
To: Sarah McQuaid; Sterner, Christy
Cc: Adrian Galvez; Hank Majdeski; Bob Florence; Tyler Painter
Subject: RE: Request for no-cost extension to BP-1 of DE-EE0002877

Sarah,

To clarify, this request is just for the extension of BP1 and should not extend the overall project end date by six months also, correct?

And to verify, the new BP1 end date would be 9/30/2011 pending Christy's approval, yes?

Thanks.

Chris Lindeman
CNJV
Contractor to the U.S. Department of Energy, Golden Field Office
(720) 356-1389

-----Original Message-----
From: Sarah McQuaid [mailto:smcquaid@solazyme.com]
Sent: Wednesday, January 12, 2011 9:55 AM
To: Sterner, Christy
Cc: Lindeman, Chris; Adrian Galvez; Hank Majdeski; Bob Florence; Tyler Painter
Subject: Request for no-cost extension to BP-1 of OE-EE0002877

Hi Christy,

Per your guidance we are requesting a no-cost extension to BP-1:

Solazyme, Inc. hereby requests that DOE extend budget period 1 (BP-1) of the award entitled: "SzIBR: Diesel Fuels From Heterotropic Algae" (Award # DE-EE0002877) for a period of up to six (6) months.

On September 3, 2010 Merck & Co. ("Merck") re-acquired the commercial bio-manufacturing facility in Riverside, PA (the "Cherokee Plant") the site of the Solazyme Integrated Biorefinery under Award # DE-EE0002877.
Since Merck's reacquisition of the Cherokee Plant,

REDACTED
EXEMPTION 4

Thank you and best regards,

Sarah

Sarah Larkin McQuaid, Ph.O., P.M.P.,
Assoc. Director Program Management,
Solazyme Inc.
Phone: 650.416.5122
Cell: 619.867.3055

Applicant Name: Solazyme, Inc. Award Number: DE-EE0002877.004 Attachment 4

Budget Information - Non Construction Programs

OMB Approval No. 0348-0044

Section A - Budget Summary

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Budget Period 1	81.087			1,303,404		
2. Budget Period 2	81.087			TBD	REDACTED EXEMPTION 4	
3.						
4.						
5. Totals				1,303,404		

Section B - Budget Categories

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) Period 1	(2) Period 2	(3)	(4)	
a. Personnel					
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					
j. Indirect Charges					
k. **Totals** (sum of 6i-6j)					
7. Program Income					

REDACTED EXEMPTION 4

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Prescribed by OMB Circular A-102

STRIPES Index #	Supporting Document		Form #	applicable	not applicable	Supporting Document Naming Convention	pdf. required
AWD-008	National Environmental Policy Act (NEPA) Documentation						
	AWD-008a	NEPA Checklist	EF-1		X	AWD-008 NEPADocs	batch .pdf
	AWD-008b	NEPA Review	EF-2		X		
	AWD-008c	NEPA Determination	EF-2a		X		
AWD-009	Pre-Award Information Sheet		PMC 121.1		X	AWD-009 PreAwardInfo	.pdf
AWD-010	Dun&Bradstreet Risk Assessment		PMC 460.2		X	AWD-010 D&BAssessment	.pdf
AWD-011	Combined Technical Evaluation / Negotiation Memorandum		PMC 120.2	X		AWD-011 TechEvalNegMem	.pdf
AWD-012	Intellectual Property Law Division (IPLD) Documentation						
	AWD-012a	IPLD Petition for Advance Waiver of Patent Rights	PMC 133.2		X	AWD-012 IPLDDocs	batch .pdf
	AWD-012b	IPLD Pre-Award Review Request	PMC 133.3		X		
	AWD-012c	IPLD Recommendation	e-mail		X		
AWD-013	Cost Share Determination Documentation						
	AWD-013a	Cost Share Determination	PMC 112.2		X	AWD-013a CostShareDet	.pdf
	AWD-013b	Cost Share Waiver	PMC 142.2		X	AWD-013b CostShareWaiver	.pdf
AWD-014	Cost / Price Documentation						
	AWD-014a	Financial Information	PMC 410.1		X	AWD-014a CostPriceDocs	batch .pdf
	AWD-014b	Indirect Rate Agreement or Rate Proposal	n/a		X		
	AWD-014c	Response from C/P Analyst regarding Indirect Rates	PMC 420.3	X	~~X~~		
AWD-015	Excluded Parties List System (EPLS) Query (https://www.epls.gov)		n/a	X		AWD-015 EPLS	
AWD-016	Pre-Award Cost Request and Authorization		n/a		X	AWD-016 PreAwdCostAuth	.pdf
AWD-017	Justification for Use of Conditional Availability of Funds Provision		PMC 132.2		X	AWD-017 JustificationCondAvail	.pdf
AWD-018	Correspondence to Recipients (use this section for correspondence not issued at FDA level)						
	AWD-018a	NCTE Request	n/a	X		AWD-018 Correspondence	batch .pdf
AWD-019	Internal Review(s)						
	AWD-019a	Request for Review (Review of Award Package)	PMC 112.2	X		AWD-019a RvwAwdPkg	.pdf
AWD-020	Deviations						
Cover Page	Assistance Agreement Form		n/a	X			
Body	Special Terms and Conditions		n/a	X			
Attachment 1	Intellectual Property Provisions		n/a		X		
Attachment 2	Statement of Project Objectives		n/a	X			
Attachment 3	Federal Assistance Reporting Checklist and Instructions		DOE F 4600.2		X		
Attachment 4	Budget Information		n/a	X			
Attachment 5	Contingency Appendix		n/a		X		

n/a X

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5

(Deliberative process)

PMC 120.1
(12/09)

U.S. DEPARTMENT OF ENERGY
GOLDEN FIELD OFFICE

FINANCIAL ASSISTANCE COMBINED COST/TECHNICAL EVALUATION AND NEGOTIATION MEMORANDUM

SECTION I - GENERAL INFORMATION

This technical evaluation/negotiation memorandum will be prepared jointly by the assigned DOE/Golden OCPM AND OAFA personnel, to document the specific action being evaluated and supported. Each office is responsible for certain sections of this document. The assigned OCPM and OAFA personnel responsible for the action will both sign this document upon its completion, demonstrating their agreement on its contents.

1. Recipient: Solazyme, Inc.

2. Grant/Cooperative Agreement No.: DE-EE0002877 Modification No. 004
   Requisition No: 11EE001972
   Project Title: Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

3. Type of Action: ☐ New Award ☐ Renewal ☐ Continuation ☒ Revision

Description of this Action: (NOTE: Indicate what is addressed by this Action only):

EX 4 EX 5 (Deliberate process)

The purpose of this action is to re-scope Budget Period 1 of the award for Solazyme, Inc. for the project entitled "Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae." This action includes the following: approving the reallocation of scope from Budget Period 2 into Budget Period 1; lifting conditions on the funds associated with those tasks, such that the total approved budget for Budget Period 1 is now Federal funds - EX 4 Non-Federal funds); moving the demolition activities (scope and budget) from BP1 back to BP2; adding six months to the end of Budget Period 1 so that the new Budget Period 1 end date is 9/30/2011; extending the project end date to 3/31/2014; changing the Project contact from Matthew Frome to Sarah McQuaid; officially changing the address; and including Program Income terminology. The overall project scope remains unchanged.

Please note the Solazyme's address: 225 Gateway Blvd; South San Francisco, CA 94080. The Project contact is Sarah L. McQuaid, 650-416-5122.

4. Award type, as determined at Procurement Strategy Meeting (for new awards): ☐ Grant ☒ Cooperative Agreement

If Cooperative Agreement, provide the specifics of the Substantial Involvement. (Note: This language will be used in the Substantial Involvement provision of the award.):

1. Government Insight
   In order to adequately monitor project progress and provide technical direction and/or redirection to the Recipient, DOE must be provided an adequate level of insight into various Recipient activities. Government Insight activities by DOE include attendance at Recipient meetings, reviews and tests, as well as access for DOE's consultants to perform independent evaluations of Recipient's plans and processes. Recipient shall notify the DOE Project Officer of meetings, reviews, and tests in sufficient time to permit DOE participation, and provide all appropriate documentation for DOE review.

2. Specific activities to be conducted by DOE:
   a. Risk Evaluation – DOE will review the Recipient's initial Risk Mitigation Plan (RMP) for quality and completeness. DOE will also monitor updates to the RMP and actions taken by the Recipient during the performance of its award to mitigate risks and improve the probability of successful execution of the integrated Biorefinery project. At DOE's discretion, additional independent risk analyses of the project by DOE consultants may be requested.
   b. Independent Engineering Assessments – DOE will engage a private, independent engineering (IE) firm to assist in assessing the progress of the project and provide timely and accurate reports to DOE. The Recipient will ensure that the IE has access to any and all relevant documentation sufficient to allow the IE

SECTION II – NEGOTIATION SUMMARY

1. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document (s)	Date of Submission	Summary of Change
Original		6/15/2010	Current approved documents
Revision 1	SF 424A; PMC 123.1; SOPO	11/5/2010	Updated documents to reflect n
Revision 2	SF 424A; PMC 123.1; SOPO	12/21/2010	REDACTED EXEMPTION 4
Revision 3	SF 424A; PMC 123.1	1/11/2010	
Revision 4	SF 424A; PMC 123.1; SOPO	2/14/2011	Move

2. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Current Approved BP1 Budget Submission	Final Negotiated Costs (BP1 Revision)	Variance	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
					Proposed Rate	Negotiated Rate
Personnel						
Fringe Benefits						
Travel						
Equipment						
Supplies						
Contractual						
Construction						
Other						
Total Direct Charges						
Indirect Charges						
TOTAL						
Program Income						
DOE Share (non-FFRDC)						
DOE Share (FFRDC)						
Total DOE Share						
Non-Federal Cost Share						

REDACTED EXEMPTION 4

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Total Allowable Adjustment without Concurrence from the Selection Official per the Selection Statement: ___
Actual Total Adjustment based on Budget Table Above ot changed other than moving scope from Budget Period 2 to Budget Period 1.

Is the original budget the same as the negotiated budget: ☐ Yes ☒ No
If No, please check all boxes that apply:
☒ Change in the Project Scope: REDACTED EXEMPTION 4

☐ Changes due to Time Delays
☐ Math Errors in Budget
☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
☐ Indirect/Fringe Rates incorrectly applied
☐ Other (explain)

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

Specialist:
Does the Recipient have an approved rate agreement: ☒ Yes ☐ No
If Yes, List the Date of Rate Agreement: April 2, 2010
Cite Federal Cognizant Agency: Defense Logistics Agency (DLA)

Personnel	Total Cost	Fringe Rate	Cost
[redacted]			

REDACTED EXEMPTION 4

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☒
The fringe benefits have been calculated correctly using the proposed rate. The rate was reviewed by Cost Price in Mod002. The recipient has an indirect rate agreement, but the fringe benefits are not addressed. These costs are considered reasonable and recommended acceptable, per internal benchmarks. See attached Memo dated Nov. 16, 2010.

3. Travel:

Total Negotiated Travel Costs:	Not Applicable, the recipient did not propose Travel costs: ☐

Project Officer:
The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☒
The costs per trip proposed in the negotiated budget are reasonable: ☒
Is foreign travel included in the negotiated budget: ☐ Yes ☒ No

The travel budget was evaluated and found to be reasonable in the previous revision. No changes to the travel budget are included in the current revision.

☒ Specialist concurs. REDACTED EXEMPTION 4

4. Equipment:

Total Negotiated Equipment Costs:	Not Applicable, the recipient did not propose Equipment costs: ☐

Project Officer:
The types of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☒
The cost of equipment proposed in the negotiated budget are reasonable: ☒

Is there any proposed equipment with a total cost exceeding $50,000: ☒ Yes ☐ No

Equipment	Total Cost	Purpose of Equipment	Basis of Cost
[redacted]			
Total:			

REDACTED EXEMPTION 4

REDACTED EXEMPTION 4

REDACTED
EXEMPTION 4

☒ Specialist concurs.

5. Supplies:

Total Negotiated Supplies Costs:	Not Applicable, the recipient did not propose Supplies costs: ☒
Project Officer: No supply costs were proposed for Budget Period 1.	
☒ Specialist concurs.	REDACTED EXEMPTION 4

6. Contractual:

Total Negotiated Contractual Costs:	Not Applicable, the recipient did not propose Contractual costs: ☐

Project Officer:
The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☒
The contractual costs proposed in the negotiated budget are reasonable: ☒ Yes

Please fill out the following table with the negotiated costs: (table only shows costs which are new or revised since previous revision)

Vendor Name	BP 1 Cost	Role in Project (Identify SOPO Tasks)

REDACTED
EXEMPTION 4

reasonable and necessary for continuing efforts for engineering and procuring these systems.

Did the Recipient propose any subrecipients with total costs above $250,000? ☐ Yes ☒ No

~~The subrecipient costs have all been moved to Budget Period 2~~. Quotes and estimation bases have been provided for the vendor costs noted above.

☒ Specialist concurs.

7. Construction:

Total Negotiated Construction Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Construction costs: ☒

Project Officer
No construction costs were proposed for Budget Period 1.

☒ Specialist concurs.

8. Other Direct Costs:

Total Negotiated Other Direct Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Other Direct costs: ☒

Project Officer:
No other direct costs were proposed for Budget Period 1.

☒ Specialist concurs.

9. Indirect Charges:

Total Negotiated Indirect Costs: 2,026,296	Not Applicable, the recipient did not propose Indirect Costs: ☐

Specialist:
Does the Recipient have an approved rate agreement: ☒ Yes ☐ No
If Yes, List the Date of Rate Agreement: April 2, 2010
Cite Federal Cognizant Agency: Defense Logistics Agency (DLA)

Please fill out the following tables with the negotiated costs:

	Base Item	Rate	BP1	BP1	BP2 Proposed	BP1 Original	BP1 Final (Charges)	BP2 /ct
DOE Proposed								
DLA Agreement								

REDACTED EXEMPTION 4

REDACTED EXEMPTION 4

10. Cost Share:

Project Officer:
Project is a: ☒ Research ☒ Development ☐ Demonstration ☐ Other: Pilot Plant
The minimum recipient's cost share required for this award is
The recipient proposed cost share for this award is:
Does the proposed cost share meet the minimum requirement: ☒ Yes ☐ No

Specialist:
Is the proposed cost share: ☒ Cash ☐ In-kind

Organization	Type of Cost Share	Cost Share Amount

REDACTED EXEMPTION 4

Third Party cost share commitment letters have been obtained: ☐
Solazyme's cost share commitment changed due to the change in the budget with this modification.

REDACTED

FOIA EXEMPTION 5

(Deliberative Process)

STATEMENT OF PROJECT OBJECTIVES

Solazyme, Inc.
Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

A. PROJECT OBJECTIVES

Solazyme proposes to build, operate and optimize a pilot-scale "**Solazyme Integrated Biorefinery.**" SzIBR will demonstrate integrated scale-up of Solazyme's novel heterotrophic algal oil biomanufacturing process, validate the projected commercial-scale economics of producing multiple advanced biofuels, and enable Solazyme to collect the data necessary to complete design of the first commercial-scale facility.

Specific project objectives include:

- Expeditiously commence construction and operations.
- Integrate all process unit operations successfully into a unified biorefinery.
- Validate feasibility of low cost production at commercial scale.
- Demonstrate refining of the algal oil into fully-compliant liquid transportation fuels.
- Accelerate development of high-impact lignocellulosic feedstocks.
- Successfully complete the project on schedule.

B. PROJECT SCOPE

The scope of the proposed project encompasses (i) building, operating and optimizing a pilot-scale integrated biorefinery, (ii) cultivating fuel oil-producing algae, (iii) extracting and purifying oil from the algae, (iv) refining the algal oil to standard liquid transportation fuels, (v) optimizing fermentation parameters at both laboratory and pilot scale, and (vi) gathering data to assist in the design of subsequent demonstration and commercial facilities.

Department of Energy (DOE)

The project advances the goals of the DOE Biomass Program and accelerates the nation's ability to achieve the production targets mandated by the Federal Renewable Fuel Standard (RFS).

C. TASKS TO BE PERFORMED

(BP-1)

BUDGET PERIOD 1: PRELIMINARY ACTIVITIES

A BP-1 Submission (Preparation/Approval/Reporting)
A.1 Selection Kick-Off Meeting (DOE Core)
A.2 Submission of Award 1 application (DOE Core)
A.3 Acceptance of Award 1 application (DOE Core)

A.4 **Release of Award 1 funds (DOE Core)**

A.5 **Reporting BP-1**

Solazyme shall submit financial reports, and standard and Recovery Act status reports. Reports will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

B **Prepare manufacturing site:**

Solazyme shall submit permit applications, finalize and sign engineering contract, procure vendor technical design information for the bulk of the process and utility equipment, complete engineering drawings and procure the longest-lead time equipment items, update the safety plan for the manufacturing site and begin demolition.

B.1.5 **EPC contract finalized and signed (DOE Core)**

B. 3 **Define commissioning criteria (DOE Core)**

C **BP-2 Application/Submission/Approval**

C.1 **Environmental Filings**

C.1.1.3 **NEPA approval to proceed (DOE CORE)**

C.3 **Update Risk Management Plan (Risk Planning)**

C.3.9 **Risk mitigation plan validation completed – Award 2 (DOE Core)**

C.4 **Update PMP (Schedule/Cost Planning)**

C.5 **Submission of Award 2 application (DOE Core)**

C.6 **CD-2 Approve Performance Baseline (DOE Core)**

C.7 **Acceptance of Award 2 application (DOE Core)**

BUDGET PERIOD 2: CONSTRUCTION AND OPERATION

D **Funding approval and release activities**

D.2 **CD-3 Approve Start of Construction (DOE Core)**

D.3 **Release of Award 2 funds (DOE Core)**

E **Feedstock sourcing**

F **Create and qualify pilot-scale SzlBR at manufacturing site:**

Solazyme shall submit purchase orders for all remaining equipment downstream of fermentation. Solazyme shall prepare space for equipment as needed, install utility connections and accept delivery of equipment. Solazyme shall install, startup, test and qualify all equipment, train operators on new equipment and conduct start-up/safety inspection.

F.4.2 **Conduct Start-up/Safety Inspection**

F.4.3 **CD-4: Start of Operation Approval – Initiate Shakedown (DOE Core)**

F.5 **Test and qualify facility:**

Solazyme shall conduct start-up of unit operations and water checks and start process flow by unit operations to complete a full integrated cycle. Solazyme shall facilitate an Independent Engineer Report.

F.5.4 **Shakedown complete (DOE Core)**

F.6 **Commissioning – Start of operation (DOE Core)**

G **Operate SzlBR to optimize and demonstrate integrated process:**

Solazyme shall conduct a series of major campaigns through the entire integrated process flow at SzIBR, collect extensive process data, and optimize the process parameters.

H **Optimize fermentation parameters at laboratory scale to support integrated pilot operations at SzIBR:**
Solazyme shall optimize the fermentation performance at laboratory scale in support of operations at SzIBR.

I **Generate concentrated sugars derived from lignocellulosic feedstocks:**
Solazyme shall obtain sugars derived from lignocellulosic feedstocks from subcontractor(s).

J **Integrated process campaign on cellulosic-derived sugars at manufacturing site**
Solazyme shall conduct at least one integrated campaign at reduced scale on cellulosic-derived sugars, collect process data and test process parameters.

K **Refine algal oil from SzIBR to standard liquid transportation fuels:**
Solazyme shall deliver purified algal oil generated in Task G to subcontractors that will refine the oil to standard liquid transportation fuels, including biodiesel and renewable diesel.

L **Project Management BP-2**
Solazyme shall submit financial reports, standard and Recovery Act status reports, annual reports and updated pro formas, as well as the Interim Final Technical Report, including property disposition and IP reports. Reports will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

M **Complete commissioning of SzIBR**

M.1 **Facilitate Independent Engineers Performance Test**

M.2 **Completion of Commissioning Criteria (DOE Core)**

~~BUDGET PERIOD 3: EXTENDED OPERATION~~

N **Extended Operation Period**

N.1 **Project Management ~~BP-3~~**
Solazyme shall submit financial reports, the final pro forma, and the Final Technical Report, including final property disposition and final IP reports. Reports will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

Recommend combining BP-2 & 3

PMC 128.3

(12-22-2009)

U.S. DEPARTMENT OF ENERGY
EERE - PROJECT MANAGEMENT CENTER

AWARD DOCUMENTS - REQUEST FOR SCANNING

STRIPES Award No. DE-EE0002877 / 004

OAFA Specialist: Molly Hames

Procurement Specialist:

Program: Office of the Biomass Program

OAFA SPECIALIST	**AWARD DOCUMENTS TO BE SCANNED:**
Mark the box next to each document included in this package for scanning. Initials: MH Date Package submitted to Scanning POC: _____	**DOCUMENTS:** ☒ AWD-001 Financial Assistance Award Index & Checklist ☐ AWD-002 Selection Statement ☐ AWD-003 Determination of Non-Competitive Financial Assistance (DNFA) Documentation ☐ AWD-004 HCA Approval ☐ AWD-005 HQ Business Clearance Documentation ☐ AWD-006 Congressional Affairs Notification (DOE F 4220.10) ☒ AWD-007 Successful Application Documentation (PRIME & SUBS) ☐ AWD-008 National Environmental Policy Act (NEPA) Documentation ☐ AWD-009 Pre-Award Information Sheet (PMC 121.1) ☐ AWD-010 Dun&Bradstreet Risk Assessment (PMC 460.2) ☒ AWD-011 Combined Technical Evaluation / Negotiation Memo (PMC 120.2) ☐ AWD-012 Intellectual Property Law Division (IPLD) Documentation ☐ AWD-013 Cost Share Determination Documentation ☐ AWD-014 Cost / Price Documentation ☒ AWD-015 EPLS ☐ AWD-016 Pre-Award Cost Request and Authorization ☐ AWD-017 Justification for Use of Conditional Availability of Funds Provision (PMC 132.2) **LETTERS/OTHER:** ☒ AWD-018 Misc. Correspondence to Recipients **REVIEWS:** ☒ AWD-019a Request for Review (PMC 112.2)(Review of Award Package) ☐ AWD-019b [insert other as needed]
STRIPES Procurement Assistant Initials:_____ Date Package returned to OAFA Specialist: _____	☐ all documents indicated above are included in this package (Note: return package to OAFA Specialist if any of the documents indicated above are not included in this package) ☐ all documents indicated above have been scanned to a non-editable .pdf format ☐ .pdf files placed in applicable folder on S:\ drive ☐ PMC 128.3 and document package returned (with all original documents) OAFA Specialist STRIPES Procurement Assistant to retain electronic copy of PMC 128.3 for 1 year, then destroy
OAFA SPECIALIST	**Action Items:** ✓ **VERIFY** that all .pdf files for all documents submitted for scanning were placed in applicable folder on S:\ drive ✓ **UPLOAD** all .pdf files to STRIPES AWARD as Supporting Documents ✓ **PLACE** all hardcopies of AWARD Supporting Documents in a secured shredder bin

OAFA Specialist: I acknowledge that all supporting documents for this award have been reviewed and uploaded to STRIPES. All paper documents contained in this file can be shredded.

_____

PMC 120.1
(12/09)

U.S. DEPARTMENT OF ENERGY
GOLDEN FIELD OFFICE

FINANCIAL ASSISTANCE COMBINED COST/TECHNICAL EVALUATION AND NEGOTIATION MEMORANDUM

SECTION I - GENERAL INFORMATION

This technical evaluation/negotiation memorandum will be prepared jointly by the assigned DOE/Golden OCPM AND OAFA personnel, to document the specific action being evaluated and supported. Each office is responsible for certain sections of this document. The assigned OCPM and OAFA personnel responsible for the action will both sign this document upon its completion, demonstrating their agreement on its contents.

1. Recipient: Solazyme, Inc.

2. Grant/Cooperative Agreement No.: DE-EE0002877 Modification No. 004
   Requisition No: 11EE001972
   Project Title: Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

3. Type of Action: ☐ New Award ☐ Renewal ☐ Continuation ☒ Revision

Description of this Action: (NOTE: Indicate what is addressed by this Action only):

The purpose of this action is to re-scope Budget Period 1 of the award for Solazyme, Inc. for the project entitled "Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae." It approves the reallocation of scope from Budget Period 2 into Budget Period 1. It also lifts the conditions on the funds associated with those tasks, such that the total approved budget for Budget Period 1 is now ederal funds + Non-Federal funds). It is also adding six months to the end of Budget Period 1 so that the new Budget Period 1 end date is 9/30/2011 and extending the project end date to 3/31/2014. Overall project scope remains unchanged.

REDACTED
EXEMPTION 4

4. Award type, as determined at Procurement Strategy Meeting (for new awards): ☐ Grant ☒ Cooperative Agreement

If Cooperative Agreement, provide the specifics of the Substantial Involvement. (Note: This language will be used in the Substantial Involvement provision of the award.):

1. Government Insight
   In order to adequately monitor project progress and provide technical direction and/or redirection to the Recipient, DOE must be provided an adequate level of insight into various Recipient activities. Government Insight activities by DOE include attendance at Recipient meetings, reviews and tests, as well as access for DOE's consultants to perform independent evaluations of Recipient's plans and processes. Recipient shall notify the DOE Project Officer of meetings, reviews, and tests in sufficient time to permit DOE participation, and provide all appropriate documentation for DOE review.

2. Specific activities to be conducted by DOE:
   a. Risk Evaluation – DOE will review the Recipient's initial Risk Mitigation Plan (RMP) for quality and completeness. DOE will also monitor updates to the RMP and actions taken by the Recipient during the performance of its award to mitigate risks and improve the probability of successful execution of the integrated Biorefinery project. At DOE's discretion, additional independent risk analyses of the project by DOE consultants may be requested.
   b. Independent Engineering Assessments – DOE will engage a private, independent engineering (IE) firm to assist in assessing the progress of the project and provide timely and accurate reports to DOE. The Recipient will ensure that the IE has access to any and all relevant documentation sufficient to allow the IE to provide independent evaluations to DOE on the progress of the project. Such documentation includes but is not limited to the following:
      - Drawings and specifications
      - Construction and Execution plans
      - Resource loaded schedules

- Design functions and requirements for the site final design review
- Risk management plans
- Value management and engineering studies and/or plans
- Acquisition strategies
- Project execution plans
- Project controls including earned value management systems
- Qualifications of the integrated project team.
- Financial strategy for funding the construction project
- Updated marketing and business plan
- Invoices submitted to DOE

DOE will evaluate the quality and completeness of information and documentation provided by the Recipient to DOE and its consultants in order to allow DOE to provide technical direction and/or redirection to the Recipient about how best to achieve the purposes of the award. Consultants to DOE may not provide technical direction and/or redirection to the Recipient.

5. New/Revised Project Period for this Award: From: 01/28/2010 To: 03/31/2014
   New/Revised Budget Period 1 for this Award: From: 01/28/2010 To: 9/30/2011
   New/Revised Budget Period 2 for this Award: From: 10/01/2011 To: 03/31/2014

6. Compliance Assessment (skip if new award):
   a. Deliverables
   The Recipient is current in submitting required reports: ☒ Yes ☐ No
   If no, identify the delinquent report(s), indicate what action(s) have been taken to remedy the situation, and identify what further action(s) are necessary, if any:

N/A

   b. Financial
   The Recipient is current in meeting the cost share requirement: ☒ Yes ☐ No
   If no, indicate what action(s) have been taken to remedy the situation and validate why this new action should proceed:

N/A

7. Check the applicable box for Funding Appropriation:
   ☒ Energy and Water ☐ Other _____

8. Check the applicable box for Statutory Authority:

   ☒ 109-58, Energy Policy Act 2005
   ☐ 110-140, Energy Independence and Security Act 2007
   ☒ 111-5, Recovery Act
   ☐ Other: _____

9. Per 10 CFR 600, the preferred payment method for State/Local Governments, Institutions of Higher Education, Hospitals, or Other Non-Profit Organizations is **Advance**. The preferred Payment Method for For-Profit organizations is **Reimbursement**. Please state the payment method that will be used for this award in the box below. If the preferred payment method is not planned for a new award, provide an explanation below. Also, explain below if the payment method for the award is being changed by this action. If the ACH or the "ASAP Approval Required" payment methods is required, include an explanation for the restriction.

The recipient is receiving ARRA funds and will continue to be on the ACH payment method to monitor their funds to ensure costs outside of Budget Period 1 are not charged to the award.

10. Is the proposed Recipient on the debarred or suspended list? Yes ☐ No ☒
    Are any of the proposed subrecipients/subcontractors on the debarred or suspended list? Yes ☐ No ☒
    Is the Project Director on the debarred or suspended list? Yes ☐ No ☒
    If yes for either response above, award cannot be made without obtaining a waiver. See attached waiver.
    The review was conducted on the Internet on 08/13/2010 (Include Printout in permanent STRIPES file)

11. A risk determination has been completed on the PMC Form 460.2 Yes ☒ N/A ☐

12. Negotiation:

	Government Negotiator(s)		Recipient Negotiator(s)	
	Name	Organization	Name	Position
1.	Molly Hames	DOE – Contract Specialist	Sarah McQuaid	Project Manager
2.	Christy Sterner	DOE – Project Officer		
3.	Chris Lindeman	CNJV – Project Engineer		

SECTION II – NEGOTIATION SUMMARY

1. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document (s)	Date of Submission	Summary of Change
Original		6/15/2010	Current approved documents
Revision 1	SF 424A; PMC 123.1; SOPO	11/5/2010	Updated documents to reflect moving
Revision 2	SF 424A; PMC 123.1; SOPO	12/21/2010	REDACTED EXEMPTION 4
Revision 3	SF 424A; PMC 123.1	1/11/2010	

2. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Current Approved BP 1 Budget Submission	Final Negotiated Costs (BP 1 Revision)	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel					
Fringe Benefits					
Travel					
Equipment					
Supplies					
Contractual					
Construction					
Other					
Total Direct Charges					
Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC)					
DOE Share (FFRDC)					
Total DOE Share					
Non-Federal Cost Share					

REDACTED EXEMPTION 4

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Total Allowable Adjustment without Concurrence from the Selection Official per the Selection Statement:

Actual Total Adjustment based on Budget Table Above: otal Budget has not changed other than moving scope from Budget Period 2 to Budget Period 1.

Is the original budget the same as the negotiated budget: ☐ Yes ☒ No

If No, please check all boxes that apply:

☒ Change in the Project Scope: Some general engineering and detailed equipment design/engineering have been moved from BP2 to BP1.
☐ Changes due to Time Delays
☐ Math Errors in Budget
☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
☐ Indirect/Fringe Rates incorrectly applied
☐ Other (explain)

4. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

REDACTED
EXEMPTION 4

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs:	Not Applicable, the recipient did not propose Personnel costs: ☐
Project Officer: The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒ The types of labor and labor mix proposed in the negotiated budget is reasonable: ☒ The proposed labor rates are reasonable: ☒ The additional personnel budget included in this revision is for a REDACTED EXEMPTION 4	
Relative to this revision, the rates and hours for all other personnel in BP1 have not changed. The rates proposed are reasonable and are based on actual salaries. Based on the scope of work proposed in the revision and Solazyme's management and engineering oversight roles, the positions and corresponding hours proposed are appropriate and reasonable.	

Specialist:
Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1		
	Hours	Rate	Total
Corporate Counsel			
Director Business Development			
Project Manager			
Project Manager			
Sr. Dir. Program Management & Logistics			
SVP Manufacturing & Process Development			
VP Manufacturing			
Total:			

REDACTED
EXEMPTION 4

Negotiated labor rates are reasonable: ☒
Please detail the basis for the reasonable determination: The hourly rates were previously approved in Mod 001. These costs are reasonable and necessary for the work being done in Budget Period 1.

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs: REDACTED EXEMPTION 4 | Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

Specialist:
Does the Recipient have an approved rate agreement: ☐ Yes ☒ No

If No, select one of the following:
☒ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)
☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review:
☐ Specialist determined that rate was reasonable
☐ Other: _____

Personnel	Total Cost	Fringe Rate	Cost

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☒

REDACTED
EXEMPTION 4

3. Travel:

REDACTED
EXEMPTION 4

Total Negotiated Travel Costs: | Not Applicable, the recipient did not propose Travel costs: ☐

Project Officer:

The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☒

The costs per trip proposed in the negotiated budget are reasonable: ☒

The travel budget was evaluated and found to be reasonable in the previous revision. No changes to the travel budget are included in the current revision.

Is foreign travel included in the negotiated budget: ☐ Yes ☒ No

☒ Specialist concurs.

4. Equipment:

Total Negotiated Equipment Costs:	Not Applicable, the recipient did not propose Equipment costs: ☐

Project Officer:

REDACTED
EXEMPTION 4

The type(s) of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☒

The cost of equipment proposed in the negotiated budget are reasonable: ☒

Is there any proposed equipment with a total cost exceeding $50,000: ☒ Yes ☐ No

Equipment	Total Cost	Purpose of Equipment	Basis of Cost
[illegible]			

REDACTED
EXEMPTION 4

☒ Specialist concurs.

5. Supplies:

REDACTED
EXEMPTION 4

Total Negotiated Supplies Costs:	Not Applicable, the recipient did not propose Supplies costs: ☒
Project Officer: No supply costs were proposed for Budget Period 1.	
☒ Specialist concurs.	

6. Contractual:

REDACTED
EXEMPTION 4

Total Negotiated Contractual Costs:	Not Applicable, the recipient did not propose Contractual costs: ☐
Project Officer: The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☒ The contractual costs proposed in the negotiated budget are reasonable: ☒ Yes	

Please fill out the following table with the negotiated costs: (table only shows costs which are new or revised since previous revision)

Vendor Name	BP 1 Cost	Role in Project (Identify SOPO Tasks)
O'Brien & Gere	$2,071,000	[redacted]

REDACTED
EXEMPTION 4

Comment [CL1]: Christy-

REDACTED
EXEMPTION 5

(Deliberative Process)

Did the Recipient propose any subrecipients with total costs above $250,000? ☐ Yes ☒ No

The subrecipient costs have all been moved to Budget Period 2. Quotes and estimation bases have been provided for the vendor costs noted above.

☒ Specialist concurs:

7. Construction: REDACTED EXEMPTION 4

Total Negotiated Construction Costs:	Not Applicable, the recipient did not propose Construction costs: ☒
Project Officer No construction costs were proposed for Budget Period 1. Please note that the final revised PMC 123.1 submitted by Solazyme includes the costs under the 'Construction' budget category (but with $0 costs). These are contractual costs and are included in the 'Contractual' budget category on the SF 424a and PMC 123.1.	
☒ Specialist concurs.	

8. Other Direct Costs: REDACTED EXEMPTION 4

Total Negotiated Other Direct Costs:	Not Applicable, the recipient did not propose Other Direct costs: ☒
Project Officer: No other direct costs were proposed for Budget Period 1.	
☒ Specialist concurs.	

9. Indirect Charges: REDACTED EXEMPTION 4

Total Negotiated Indirect Costs:	Not Applicable, the recipient did not propose Indirect Costs: ☐

Specialist:

Does the Recipient have an approved rate agreement: ☒ Yes ☐ No

If Yes, List the Date of Rate Agreement: April 2, 2010
Cite Federal Cognizant Agency: Defense Logistics Agency (DLA)

If No, select one of the following:
☒ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)
☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review:
☐ Specialist determined that rate was reasonable
☐ Other: _____

Please fill out the following tables with the negotiated costs:

	Base Item	Base Cost	Rate	Indirect Cost
Proposed				
Rate Agreement	T			

REDACTED EXEMPTION 4

10. Cost Share:

Project Officer:
Project is a: ☒ Research ☒ Development ☐ Demonstration ☐ Other: Pilot Plant

The minimum recipient's cost share required for this award is: REDACTED EXEMPTION 4
The recipient proposed cost share for this award is:
Does the proposed cost share meet the minimum requirement: ☒ Yes ☐ No

Specialist:
Is the proposed cost share: ☒ Cash ☐ In-kind

Organization	Type of Cost Share	Cost Share Amount
		REDACTED EXEMPTION 4
Total:		

Third Party cost share commitment letters have been obtained: ☒ (Please include letters in permanent STRIPES file)

a. These letters were already obtained and included in the previous modification 001.

B. The following Project Officer and Specialist evaluation and negotiation commentary and recommendations address their agreement on all additional considerations for this award.

1. Please list any other special provisions agreed upon for inclusion in this award and describe the rationale for their inclusion below.

Changes to the Terms and Conditions with this modification include: 1) Update the "Cost Sharing" provision; 2) "Revising the Rebudgeting and Recovery of Indirects" provision to include a cap; 3) Update the "Funding of Budget Periods" provision; 4) Update the "NEPA" provision to release NEPA hold for entire project; and 5) Remove the "Reopener Term".

2. If a negotiation strategy, or strategies, is/are specified in the selection statement, provide a discussion below of how this was addressed and resolved.

N/A.

3. Any other comments or concerns of the Project Officer and/or Specialist for this award, and the recommended approach to mitigating them, will be explained and addressed below.

Merck Pharmaceuticals purchased the project site (Cherokee Pharmaceuticals).

REDACTED EXEMPTION 4

4. Is this a Recovery Act award? ☒ Yes ☐ No

- If Yes, does the Buy American Act apply (see applicability below)? ☒ Yes ☐ No
- If Yes, does Davis Bacon Act apply (see applicability below)? ☒ Yes ☐ No

If the answer to either the Buy American Act or Davis Bacon Act questions is Yes, provide a short discussion below on: 1) the type of entity; 2) what applies; Davis Bacon, Buy American, or both; 3) whether it applies to the prime, subrecipient, or both; and 4) work to be performed that requires applicability of Buy American and/or Davis Bacon.

No work is being done at a public work or other public facility which would require the purchase of US-made steel, per the Buy American Act. However, Solazyme, their subrecipients, contractors, vendors, and other entities involved in this project intend, to the extent possible, to honor the intent of Congress and purchase US-made materials/equipment.

Solazyme, their subrecipients, contractors, vendors, and other entities involved in this project will comply with Davis Bacon Act requirements where those requirements are applicable for this project. The Davis Bacon Act will apply to

Budget Periods 1 and 2.

SECTION IV – RECOMMENDATIONS/APPROVAL

Signatures of the Project Officer and Specialist, indicating their recommendations, as indicated below, will occur after their mutual agreement on the contents of this document, and before the review and approval process for the action. The signatures below indicate that the costs in the negotiated budget are reasonable, allowable, and allocable.

1. Technical Recommendation

The project costs are acceptable and should be considered for a financial assistance award. The resources have been reviewed relative to the Statement of Project Objectives and are found to be reasonable, except as previously noted herein.

_____ _____
Signature Date

Christy Sterner
Project Officer

2. Specialist Recommendation

In view of the above analysis, the technical evaluation, and considering all known factors, this Award is recommended.

_____ _____
Signature Date

Molly Hames
Grants and Agreements Specialist

3. Contracting Officer Approval

☒ I concur with the above recommendation and have determined that the Recipient is responsible. I consider this Award to be in the best interest of the Government, and approve the award documents.

☐ In view of the analysis, the technical evaluation, and considering all known factors, I have determined that the Recipient is responsible. This Award is considered to be in the best interest of the Government and approved.

_____ _____
Signature Date

Melissa Wise
Contracting Officer

PMC 120.1
(12/09)

U.S. DEPARTMENT OF ENERGY
GOLDEN FIELD OFFICE

FINANCIAL ASSISTANCE COMBINED COST/TECHNICAL EVALUATION AND NEGOTIATION MEMORANDUM

SECTION I - GENERAL INFORMATION

This technical evaluation/negotiation memorandum will be prepared jointly by the assigned DOE/Golden OCPM AND OAFA personnel, to document the specific action being evaluated and supported. Each office is responsible for certain sections of this document. The assigned OCPM and OAFA personnel responsible for the action will both sign this document upon its completion, demonstrating their agreement on its contents.

Project Officer to complete:

1. Recipient: Solazyme, Inc.

2. Grant/Cooperative Agreement No.: DE-EE0002877 Modification No. 003
Requisition No: 10EE
Project Title: Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

3. Type of Action: ☐ New Award ☐ Renewal ☐ Continuation ☒ Revision

Description of this Action: (NOTE: Indicate what is addressed by this Action only):

The purpose of this action is to lift conditions on Budget Period 2 (BP2) of the award DE-EE0002877 for Solazyme, Inc. entitled "Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae." It approves the scope and budget for BP2 such that the total budget is $ EX4 21,765,708 Federal funds) and all funds are now available.

4. Award type, as determined at Procurement Strategy Meeting (for new awards): ☐ Grant ☒ Cooperative Agreement

If Cooperative Agreement, provide the specifics of the Substantial Involvement. (Note: This language will be used in the Substantial Involvement provision of the award.):

1. Government Insight

   In order to adequately monitor project progress and provide technical direction and/or redirection to the Recipient, DOE must be provided an adequate level of insight into various Recipient activities. Government Insight activities by DOE include attendance at Recipient meetings, reviews and tests, as well as access for DOE's consultants to perform independent evaluations of Recipient's plans and processes. Recipient shall notify the DOE Project Officer of meetings, reviews, and tests in sufficient time to permit DOE participation, and provide all appropriate documentation for DOE review.

2. Specific activities to be conducted by DOE:

   a. Risk Evaluation – DOE will review the Recipient's initial Risk Mitigation Plan (RMP) for quality and completeness. DOE will also monitor updates to the RMP and actions taken by the Recipient during the performance of its award to mitigate risks and improve the probability of successful execution of the integrated Biorefinery project. At DOE's discretion, additional independent risk analyses of the project by DOE consultants may be requested.

   b. Independent Engineering Assessments – DOE will engage a private, independent engineering (IE) firm to assist in assessing the progress of the project and provide timely and accurate reports to DOE. The Recipient will ensure that the IE has access to any and all relevant documentation sufficient to allow the IE to provide independent evaluations to DOE on the progress of the project. Such documentation includes but is not limited to the following:

- Drawings and specifications
- Construction and Execution plans
- Resource loaded schedules
- Design functions and requirements for the site final design review
- Risk management plans
- Value management and engineering studies and/or plans
- Acquisition strategies
- Project execution plans
- Project controls including earned value management systems
- Qualifications of the integrated project team
- Financial strategy for funding the construction project
- Updated marketing and business plan
- Invoices submitted to DOE

DOE will evaluate the quality and completeness of information and documentation provided by the Recipient to DOE and its consultants in order to allow DOE to provide technical direction and/or redirection to the Recipient about how best to achieve the purposes of the award. Consultants to DOE may not provide technical direction and/or redirection to the Recipient.

5. New/Revised Project Period for this Award: From: 1/28/2010 To: 3/31/2013
   New/Revised Budget Period 1 for this Award: From: 1/29/2010 To: 8/31/2010
   New/Revised Budget Period 2 for this Award: From: 9/1/2010 To: 3/31/2013

Comment [CL1]
Comment [CL2]
Comment [CL3]
Comment [CL4]

6. Compliance Assessment (skip if new award):
   a. Deliverables
   The Recipient is current in submitting required reports: ☒ Yes ☐ No
   If no, identify the delinquent report(s), indicate what action(s) have been taken to remedy the situation, and identify what further action(s) are necessary, if any:

N/A

   b. Financial
   The Recipient is current in meeting the cost share requirement: ☐ Yes ☐ No
   If no, indicate what action(s) have been taken to remedy the situation and validate why this new action should proceed:

Comment [CL5]

7. Check the applicable box for Funding Appropriation:
   ☒ Energy and Water ☐ Other _____
8. Check the applicable box for Statutory Authority:

   ☐ 109-58, Energy Policy Act 2005
   ☐ 110-140, Energy Independence and Security Act 2007
   ☒ ARRA
   ☐ Other: _____

REDACTED
EXEMPTION 5
(Deliberative Process)

Specialist to complete:

9. Per 10 CFR 600, the preferred payment method for State/Local Governments, Institutions of Higher Education, Hospitals, or Other Non-Profit Organizations is **Advance**. The preferred Payment Method for For-Profit organizations is **Reimbursement**. Please state the payment method that will be used for this award in the box below. If the preferred payment method is not planned for a new award, provide an explanation below. Also, explain below if the payment method for the award is being changed by this action. If the ACH or the "ASAP Approval Required" payment methods is required, include an explanation for the restriction.

10. Is the proposed Recipient on the debarred or suspended list? Yes ☐ No ☐
Are any of the proposed subrecipients/subcontractors on the debarred or suspended list? Yes ☐ No ☐
Is the Project Director on the debarred or suspended list? Yes ☐ No ☐
If yes for either response above, award cannot be made without obtaining a waiver. See attached waiver.
The review was conducted on the Internet on *(Date)* (Include Printout in permanent STRIPES file)

11. A risk determination has been completed on the PMC Form 460.2 Yes ☐ N/A ☐

Project Officer and Specialist to complete:

12. Negotiation:

	Government Negotiator(s)		Recipient Negotiator(s)	
	Name	Organization	Name	Position
1.	Molly Hames	DOE – Contract Specialist	Sarah McQuaid	Project Manager
2.	Christy Sterner	DOE – Project Officer		
3.	Chris Lindeman	Navarro – Project Engineer		

SECTION II – NEGOTIATION SUMMARY

Project Officer/Specialist to complete:

1. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document (s)	Date of Submission	Summary of Change
Original		6/15/2010	Submission from previous amendment; however, only the BP1 amounts were evaluated. At the time, recipient indicated that the BP2 figures were ready for evaluation.
Revision 1			
Revision 2			
Revision "n"			

Comment [c6]: Fill this out

2. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Comment [c7]: Fill this out

Element of Cost	Original BP 2 Budget Submission	Final Negotiated Costs (BP 2 Revision)	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel					
Fringe Benefits					
Travel					
Equipment					
Supplies					
Contractual					
Construction					
Other					
Total Direct Charges					
Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC)					
DOE Share (FFRDC)					
Total DOE Share					
Non-Federal Cost Share					

REDACTED
EXEMPTION 4

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Total Allowable Adjustment without Concurrence from the Selection Official per the Selection Statement: ___

Actual Total Adjustment based on Budget Table Above: ___

REDACTED
EXEMPTION 4

Is the original budget the same as the negotiated budget: ☐ Yes ☐ No

If No, please check all boxes that apply:

☐ Change in the Project Scope
☐ Changes due to Time Delays
☐ Math Errors in Budget
☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
☐ Indirect/Fringe Rates incorrectly applied

☐ Other (explain) _____

4. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

Project Officer commentary:

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Personnel costs: ☐

Project Officer:
The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒

The types of labor and labor mix proposed in the negotiated budget is reasonable: ☒

The proposed labor rates are reasonable: ☒

The personnel associated with this project are for the management, design and engineering, and construction and operations oversight of the pilot plant being built for this project. There are 17 uniquely titled positions described by the applicant.

REDACTED EXEMPTION 4

Comment [CL8]

Comment [CL9]:

Controller
Corporate Counsel
Director Business Development
Director Downstream Process Development
Downstream manufacturing engineer
Fermentation engineer
Manager: Downstream Process Development

Comment [CL10]:

Process Development Engineer
Project Engineer
Project Manager ($63/hr)
Project Manager ($50/hr)

Comment [CL11]:

Senior Director; Program Management & Logistics
Senior Manager; Fermentation
Senior Vice President; Manufacturing & Process Development
Senior Vice President; Research & Development
Vice President; Manufacturing: This is the Principal Investigator on the overall project.

REDACTED EXEMPTION 5 (Deliberative Process)

REDACTED EXEMPTION 4

REDACTED
EXEMPTION 4

T

Comment [CL12]:

Specialist:
Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1			Budget Period 2		
	Hours	Rate	Total	Hours	Rate	Total
Total:	0		0	0		0

REDACTED
EXEMPTION 5
(Deliberative Process)

Negotiated labor rates are reasonable: ☐
Labor rates are loaded rates (with fringe benefits or overhead costs): ☐ Address loaded rates in fringe benefits or indirect comments.

Please detail the basis for the reasonable determination:

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

For recipient budgets that include only fringe benefits and no indirect costs are proposed, the fringe benefit costs up to 35% of Direct Labor costs may be determined to be reasonable and acceptable, based on internal benchmarks of these costs. This fringe benefit costs allowance up to 35% of Direct Labor costs does not apply if fringe benefit costs are included in any indirect costs proposed for a budget. Fringe benefits costs that meet the criteria will not require a Fringe Benefit Rate proposal to be reviewed by the Cost/Price Analyst. However, supporting documentation should still be obtained for review.

Specialist:
Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____
Cite Federal Cognizant Agency: _____

If No, select one of the following:
☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following table with the negotiated costs:

	Personnel	Total Cost	Fringe Rate	Cost
Example Only	*Principal Investigator*	*$100,000*	*25%*	*$25,000*
Total:				

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☐

3. Travel:

Total Negotiated Travel Costs: REDACTED EXEMPTION 4 | Not Applicable, the recipient did not propose Travel costs: ☐

Project Officer:

The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs per trip proposed in the negotiated budget are reasonable: ☐

Comment [c13]:

Is foreign travel included in the negotiated budget: ☐ Yes ☒ No (If yes, please fill out the following table with the negotiated costs below)

Location	Total Cost	Rationale for Foreign Travel

If the negotiated travel budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

REDACTED
EXEMPTION 4

Comment [c14]:

☐ Specialist concurs.

4. Equipment:

Total Negotiated Equipment Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Equipment costs: ☐

Project Officer:

The type(s) of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☐

The cost of equipment proposed in the negotiated budget are reasonable: ☐

Comment [c15]:

Is there any proposed equipment with a total cost exceeding $50,000: ☒ Yes ☐ No (If yes, please fill out the following table with the negotiated costs and basis of cost, i.e. historical price or vendor quote)

Equipment	Total Cost	Purpose of Equipment	Basis of Cost
REDACTED EXEMPTION 4			

Comment [CL16]:

Comment [CL17]:

Comment [CL18]:

Comment [CL19]:

If the negotiated equipment budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

REDACTED
EXEMPTION 5
(Deliberative Process)

☐ Specialist concurs.

5. Supplies: REDACTED EXEMPTION 4

Total Negotiated Supplies Costs:	Not Applicable, the recipient did not propose Supplies costs: ☐

Project Officer:

The types /quantities of supplies proposed in the negotiated budget are reasonable based on the scope of work: ☒

The costs of supplies proposed in the negotiated budget are reasonable: ☒

If the negotiated supply budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

Comment [CL20]:

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

☐ Specialist concurs.

REDACTED
EXEMPTION 4

6. Contractual:

Total Negotiated Contractual Costs: $	Not Applicable, the recipient did not propose Contractual costs: ☐

Project Officer:

The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☐

The contractual costs proposed in the negotiated budget are reasonable: ☐ Yes

Please fill out the following table with the negotiated costs:

REDACTED
EXEMPTION 5
(Deliberative Process)

Subrecipient/ Vendor Name	BP 1 Cost	BP 2 Cost	Total Cost	Role in Project (Identify SOPO Tasks)

REDACTED
EXEMPTION 4

Comment [CL21]:

Comment [CL22]:

Comment [CL23]

Cherokee (sub)

specifically associated with the work at the site. ' uilding space, utilities, and some labor to the project. A separate evaluation of their scope and budget are included as an addendum to this evaluation memorandum.

Abengoa (sub)

BlueFire (sub)

REDACTED
EXEMPTION 4

UOP (sub)
UOP is going to refine some of the pilot plant's algal oil into renewable diesel. In addition, they are contributing cost share of of the project costs associated with the refining activities. A separate evaluation of their scope and budget are included as an addendum to this evaluation memorandum.

REDACTED
EXEMPTION 5
(Deliberative Process)

REG (vendor)
REG will refine approximately gallons of algal oil to biodiesel (producing approximately gallons of biodiesel) in their commercial facility. This work will be done in production runs of approximately gallons each. Each of these runs is estimated to cost or a total cost o . In addition to this work in their commercial facility, will also be refining gallons of algal oil into biodiesel in their laboratory facilities. This will be done in approximatel gallon batches, and includes analytical work. The total cost per batch for the lab refining and analysis is er batch, totaling

Obrien & Gere (vendor)

REDACTED
EXEMPTION 4

project. The majority of the costs associated with their work were evaluated and approved for BP1. The costs are reasonable for the work OB&G will be performing in support of BP2.

Vendor TBD (vendor)
These line items contain budget estimates for work that would be expected to be associated with the construction of a plant facility. Solazyme has not yet determined who these vendors will be, but will do so either through an open competitive bidding process or by submitting sole-source justification where applicable. All of the proposed costs were estimated based on similar work previously completed by Solazyme and are reasonable to the type of work being performed for this project.

Comment [c24]:

Comment [c25]:

Did the Recipient propose any subrecipients with total costs above $100,000? ☒ Yes ☐ No (If Yes, a separate Technical Evaluation/Negotiation Memorandum is required for each subrecipient/vendor – see below)

☐ Specialist concurs.

For awards to corporations and nonprofits*, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $250,000 or greater than or equal to 50% of the total project costs, whichever is less.* ***For awards to Universities, States, and Local Governments****, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $500,000 or greater than or equal to 25% of the total project costs, whichever is less.*

Full reviews consist of Tech Evaluation/Negotiation Memos covering reviews of budgets, budget justifications, and scopes of work. ***For all sub-recipients costs that are below these thresholds, projects must continue to be assessed for reasonableness on the basis of the explanation (cost and brief description of work) presented by the Recipient in their application.***

7. Construction:

Total Negotiated Construction Costs: $	Not Applicable, the recipient did not propose Construction costs: ☒
Project Officer: The type of construction proposed in the negotiated budget is appropriate for the scope of work: ☐	

The construction costs proposed in the negotiated budget are reasonable: ☐

☐ Specialist concurs.

8. Other Direct Costs:

Total Negotiated Other Direct Costs:	Not Applicable, the recipient did not propose Other Direct costs: ☐

Project Officer:

The types of other direct costs proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs proposed in the negotiated budget for other direct costs are reasonable for the scope of work: ☐

) is for transportation of th to REG for refining into biodiesel. This includes…and…

s for transportation of the algal oil to UOP for refining into green diesel. This includes…and…

is for rail car storage of the algal oil. This includes…and…

s for rail car storage of the refined fuel product. This includes…and…

REDACTED
EXEMPTION 4

is for insurance and sample shipments, including…and…

If the negotiated other direct cost budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

Comment [c26]: There were some big questions in this area.

Comment [c27]: Finish with input from Solazyme

Comment [c28]: Finish with input from Solazyme

Comment [c29]: Finish with input from Solazyme

Comment [c30]: Finish with input from Solazyme

Comment [c31]: Finish with input from Solazyme

9. Indirect Charges:

Total Negotiated Indirect Costs:	Not Applicable, the recipient did not propose Indirect Costs: ☐

Specialist:

Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____

Cite Federal Cognizant Agency: _____

If No, select one of the following:

☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following tables with the negotiated costs:

REDACTED
EXEMPTION 5
(Deliberative Process)

Base Item	Base Cost	Rate	Indirect Cost
Example Only: Modified Total Direct Costs	*$100,000*	*25%*	*$25,000*
Total:			

The indirect costs proposed in the negotiated budget were appropriately applied and are reasonable: ☐

10. Cost Share:

Project Officer:

Project is a: ☐ Research ☒ Development ☐ Demonstration ☐ Other: _____

The minimum recipient's cost share required for this award is: _____

The recipient proposed cost share for this award is: _____ REDACTED EXEMPTION 4

Does the proposed cost share meet the minimum requirement: ☒ Yes ☐ No

If the recipient does not meet the required cost share for this award, an explanation of the reason and authority for the reduction or waiver of the cost share requirement should be included below:

Specialist:

Is the proposed cost share: ☐ Cash ☐ In-kind (detail the amount and category below for in-kind cost share, if applicable)

	Organization	Type of Cost Share (cash or in-kind)	Cost Share Amount	Basis of Value (how the recipient calculated value)
Total				

Third Party cost share commitment letters have been obtained: ☐ (Please include letters in permanent STRIPES file)

B. The following Project Officer and Specialist evaluation and negotiation commentary and recommendations address their agreement on all additional considerations for this award.

Specialist to complete

1. Please list any other special provisions agreed upon for inclusion in this award and describe the rationale for their inclusion below.

Project Officer to complete

2. If a negotiation strategy, or strategies, is/are specified in the selection statement, provide a discussion below of how this was addressed and resolved.

Solazyme was required t[illegible] from _____ per the selection statement. Solazyme

REDACTED EXEMPTION 4

cost share to 20%. EX5 (Deliberative Process)

Solazyme was required to have contingency on total project cost, per the selection statement. They are currently working on drafting a certification that meets DOE requirements ensuring availability.

Comment [c32]:

3. Any other comments or concerns of the Project Officer and/or Specialist for this award, and the recommended approach to mitigating them, will be explained and addressed below.

Comment [CL33]: Anything?

Project Officer to complete

4. Is this a Recovery Act award? ☒ Yes ☐ No

- If Yes, does the Buy American Act apply (see applicability below)? ☐ Yes ☒ No
- If Yes, does Davis Bacon Act apply (see applicability below)? ☒ Yes ☐ No

If the answer to either the Buy American Act or Davis Bacon Act questions is Yes, provide a short discussion below on: 1) the type of entity; 2) what applies; Davis Bacon, Buy American, or both; 3) whether it applies to the prime, subrecipient, or both; and 4) work to be performed that requires applicability of Buy American and/or Davis Bacon.

Solazyme, their subrecipients, contractors, vendors, and other entities involved in this project will comply with Davis Bacon Act requirements where those requirements are applicable for this project.

Buy American Applicability for Recovery Act Awards: *If the applicant's project involves construction, alteration, maintenance, or repair of a* ***public building or public work of a governmental entity*** *then the Recovery Act's Buy American requirements apply (to the prime and/or the Subrecipient). If not, then those requirements are inapplicable. The implementing regulations define public building and public work to mean a public building of, and a public work of, a governmental entity including the United States; the District of Columbia; commonwealths, territories, and minor outlaying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions. The public building or public work must be located in the United States. See 2 CFR § 176.140. The implementing regulations may be found at the following link: http://edocket.access.gpo.gov/2009/pdf/E9-9073.pdf*

Davis Bacon Applicability for Recovery Act Awards: *If the applicant's project involves any resultant contracts that are in excess of $2,000 for construction, alteration or repair (including painting and decorating), then the Recovery Act's Davis Bacon requirements apply. The Davis Bacon and Related Acts (DBRA) requires all contractors and subcontractors performing work on federal contracts in excess of $2,000 to pay their laborers and mechanics not less than the prevailing wage rates and fringe benefits for corresponding classes of laborers and mechanics employed on similar projects in the area. The prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts.*

Complete this section for each subrecipient with proposed total costs of $100,000 or more. Otherwise, delete this section.

***For awards to corporations and nonprofits**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $250,000 or greater than or equal to 50% of the total project costs, whichever is less. **For awards to Universities, States, and Local Governments**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $500,000 or greater than or equal to 25% of the total project costs, whichever is less.*

*Full reviews consist of Tech Evaluation/Negotiation Memos covering reviews of budgets, budget justifications, and scopes of work. **For all sub-recipients costs that are below these thresholds, projects must continue to be assessed for reasonableness on the basis of the explanation (cost and brief description of work) presented by the Recipient in their application.***

Subrecipient: Cherokee Pharmaceuticals, LLC

SECTION II – NEGOTIATION SUMMARY

Project Officer/Specialist to complete:

1. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document	Date of Submission	Summary of Change
Original		3/3/10	Submission from previous amendment; however, only the BP1 amounts were evaluated. At the time, recipient indicated that the BP2 figures were ready for evaluation.
Revision 1			
Revision 2			
Revision "n"			

Comment [CL34]: Fill this out

2. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
   Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Original BP2 Budget Submission	Final Negotiated Costs (BP 2 Revision)	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel Fringe Benefits Travel Equipment Supplies Contractual Construction Other			REDACTED EXEMPTION 4		
Total Direct Charges Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC) DOE Share (FFRDC) Total DOE Share					
Non-Federal Cost Share					

Comment [CL35]: Fill this out

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Is the original budget the same as the negotiated budget: ☐ Yes ☐ No

If No, please check all boxes that apply:

- ☐ Change in the Project Scope
- ☐ Changes due to Time Delays
- ☐ Math Errors in Budget
- ☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
- ☐ Indirect/Fringe Rates incorrectly applied
- ☐ Other (explain) _____

4. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

Project Officer commentary:

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs: REDACTED EXEMPTION 4 | Not Applicable, the recipient did not propose Personnel costs: ☐

Project Officer:

The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒

The labor mix proposed in the negotiated budget is reasonable: ☒

The personnel associated with this project are for the operation of the pilot plant for this project. There are uniquely titled positions described by the applicant, some of which may include multiple persons. Even though BP2 extends across multiple calendar years, the pay rates do not escalate as the tasks progress. The total personnel costs for this project are

Comment [CL36]:

Comment [CL37]:

Director of Manufacturing
Manager Technical Support
Process Engineer
Production Coordinator
Senior Process Engineer
Senior Process Microbiologist
Technician (hourly labor)

REDACTED EXEMPTION 5 (Deliberative Process)

REDACTED EXEMPTION 4

Comment [CL38]:

Specialist:

Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1			Budget Period 2		
	Hours	Rate	Total	Hours	Rate	Total
Total:						

REDACTED
EXEMPTION 4

Negotiated labor rates are reasonable: ☐ (Please attach supporting documentation e.g. www.salary.com, if applicable)

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs:	Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

REDACTED
EXEMPTION 4

Specialist:
Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____
Cite Federal Cognizant Agency: _____

If No, select one of the following:
☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following table with the negotiated costs:

	Personnel	Total Cost	Fringe Rate	Cost
Example Only	*Principal Investigator*	*$100,000*	*25%*	*$25,000*
Total:				

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☐

3. Travel:

Total Negotiated Travel Costs: $	Not Applicable, the recipient did not propose Travel costs: ☒

Project Officer:

The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs per trip proposed in the negotiated budget are reasonable: ☐

Is foreign travel included in the negotiated budget: ☐ Yes ☐ No (If yes, please fill out the following table with the

negotiated costs below)

Location	Total Cost	Rationale for Foreign Travel

If the negotiated travel budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

4. Equipment:

Total Negotiated Equipment Costs: $	Not Applicable, the recipient did not propose Equipment costs: ☒

Project Officer:

The type(s) of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☐

The cost of equipment proposed in the negotiated budget are reasonable: ☐

Is there any proposed equipment with a total cost exceeding $50,000: ☐ Yes ☐ No (If yes, please fill out the following table with the negotiated costs and basis of cost, i.e. historical price or vendor quote)

Equipment	Total Cost	Purpose of Equipment	Basis of Cost

If the negotiated equipment budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

5. Supplies:

REDACTED
EXEMPTION 4

Total Negotiated Supplies Costs:	Not Applicable, the recipient did not propose Supplies costs: ☐

Comment [CL39]:

Project Officer:

The types /quantities of supplies proposed in the negotiated budget are reasonable based on the scope of work: ☐

The costs of supplies proposed in the negotiated budget are reasonable: ☐

If the negotiated supply budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

All supplies are related to the production of algae, algal oil and other actions being undertaken at the Cherokee site.

REDACTED
EXEMPTION 5
(Deliberative Process)

. This includes…and…

This includes…and…

This includes…and…

cluding…and…

REDACTED
EXEMPTION 4

Comment [c40]:

Comment [c41]:

Comment [c42]: me

Comment [c43]:

☐ Specialist concurs.

6. Contractual:

Total Negotiated Contractual Costs: $	Not Applicable, the recipient did not propose Contractual costs: ☒

Project Officer:

The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☐

The contractual costs proposed in the negotiated budget are reasonable: ☐ Yes

Please fill out the following table with the negotiated costs:

Subrecipient/Vendor Name	BP 1 Cost	BP 2 Cost	Total Cost	Contribution to Project (Identify SOPO Tasks)

Did the Recipient propose any subrecipients with total costs above $100,000? ☐ Yes ☐ No (If Yes, a separate Technical Evaluation/Negotiation Memorandum is required for each subrecipient/vendor – see below)

☐ Specialist concurs.

REDACTED
EXEMPTION 5
(Deliberative Process)

7. Construction:

Total Negotiated Construction Costs: $	Not Applicable, the recipient did not propose Construction costs: ☒

Project Officer:

The type of construction proposed in the negotiated budget is appropriate for the scope of work: ☐

The construction costs proposed in the negotiated budget are reasonable: ☐

☐ Specialist concurs.

8. Other Direct Costs:

Comment [CL44]:

Total Negotiated Other Direct Costs: $	Not Applicable, the recipient did not propose Other Direct costs: ☐

Project Officer:

The types of other direct costs proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs proposed in the negotiated budget for other direct costs are reasonable for the scope of work: ☐

If the negotiated other direct cost budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

Comment [c45]:

REDACTED
EXEMPTION 4

This includes…and…

. This includes…and…

.and…

REDACTED EXEMPTION 4

and…

..and…

..

Comment [c47]:

Comment [c48]:

Comment [c50]:

Comment [c51]:

☐ Specialist concurs.

9. Indirect Charges:

Total Negotiated Indirect Costs: REDACTED EXEMPTION 4

☐ Not Applicable, the recipient did not propose Indirect costs:

Specialist:

Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____

Cite Federal Cognizant Agency: _____

If No, select one of the following:

☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

REDACTED EXEMPTION 5

(Deliberative Process)

Please fill out the following tables with the negotiated costs:

Base Item	Base Cost	Rate	Indirect Cost
Example Only: Modified Total Direct Costs	*$100,000*	*25%*	*$25,000*
Total:			

The indirect costs proposed in the negotiated budget were appropriately applied and are reasonable: ☐

Complete this section for each subrecipient with proposed total costs of $100,000 or more. Otherwise, delete this section.

***For awards to corporations and nonprofits**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $250,000 or greater than or equal to 50% of the total project costs, whichever is less. **For awards to Universities, States, and Local Governments**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $500,000 or greater than or equal to 25% of the total project costs, whichever is less.*

*Full reviews consist of Tech Evaluation/Negotiation Memos covering reviews of budgets, budget justifications, and scopes of work. **For all sub-recipients costs that are below these thresholds, projects must continue to be assessed for reasonableness on the basis of the explanation (cost and brief description of work) presented by the Recipient in their application.***

Subrecipient: Abengoa Bioenergy New Technologies

SECTION II – NEGOTIATION SUMMARY

Project Officer/Specialist to complete:

3. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document	Date of Submission	Summary of Change
Original	SF424a; PMC123.1	2/9/2010	Submission from previous amendment; however, only the BP1 amounts were evaluated. At the time, recipient indicated that the BP2 figures were ready for evaluation.
Revision 1			

Comment [c52]: Fill this out

4. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Comment [CL53]: Fill this out

Element of Cost	Original BP2 Budget Submission	Final Negotiated Costs (BP2 Revision)	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel					
Fringe Benefits					
Travel					
Equipment					
Supplies					
Contractual					
Construction					
Other					
Total Direct Charges					
Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC)					
DOE Share (FFRDC)					
Total DOE Share					
Non-Federal Cost Share					

REDACTED
EXEMPTION 4

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Is the original budget the same as the negotiated budget: ☒ Yes ☐ No

If No, please check all boxes that apply:

- ☐ Change in the Project Scope
- ☐ Changes due to Time Delays
- ☐ Math Errors in Budget
- ☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
- ☐ Indirect/Fringe Rates incorrectly applied
- ☐ Other (explain) _____

5. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

Project Officer commentary:

No comments.

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs: REDACTED EXEMPTION 4 Not Applicable, the recipient did not propose Personnel costs: ☐

Project Officer:

The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒

The labor mix proposed in the negotiated budget is reasonable: ☒

The personnel associated with this project are [redacted] use in the pilot plant being built for this project. There are 6 uniquely titled positions described by the applicant, some of which may include multiple persons. The total personnel costs for this project are

REDACTED EXEMPTION 4

Comment [CL54]:

REDACTED EXEMPTION 5 (Deliberative Process)

Comment [CL55]:

Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1			Budget Period 2		
	Hours	Rate	Total	Hours	Rate	Total
Total:	0		0	0		0

Negotiated labor rates are reasonable: ☐ (Please attach supporting documentation e.g. www.salary.com, if applicable)

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

Specialist:
Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____
Cite Federal Cognizant Agency: _____

If No, select one of the following:
☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following table with the negotiated costs:

	Personnel	Total Cost	Fringe Rate	Cost
Example Only	*Principal Investigator*	*$100,000*	*25%*	*$25,000*
Total:				

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☐

3. Travel:

Total Negotiated Travel Costs: $	Not Applicable, the recipient did not propose Travel costs: ☒

Project Officer:

The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs per trip proposed in the negotiated budget are reasonable: ☐

Is foreign travel included in the negotiated budget: ☐ Yes ☐ No (If yes, please fill out the following table with the negotiated costs below)

Location	Total Cost	Rationale for Foreign Travel

If the negotiated travel budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

4. Equipment:

Total Negotiated Equipment Costs: $	Not Applicable, the recipient did not propose Equipment costs: ☒

Project Officer:

The type(s) of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☐

The cost of equipment proposed in the negotiated budget are reasonable: ☐

Is there any proposed equipment with a total cost exceeding $50,000: ☐ Yes ☐ No (If yes, please fill out the following table with the negotiated costs and basis of cost, i.e. historical price or vendor quote)

Equipment	Total Cost	Purpose of Equipment	Basis of Cost

If the negotiated equipment budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

REDACTED
EXEMPTION 5
(Deliberative Process)

5. Supplies:

Total Negotiated Supplies Costs:	Not Applicable, the recipient did not propose Supplies costs: ☐

REDACTED
EXEMPTION 4

Project Officer:

The types /quantities of supplies proposed in the negotiated budget are reasonable based on the scope of work: ☒

The costs o' proposed in the negotiated budget are reasonable: ☒

s cost is and includes the biomass feedstocks, chemicals, enzymes, yeast, and utilities required for the conversion to sugars.

Comment [CL56]:

If the negotiated supply budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

6. Contractual:

Total Negotiated Contractual Costs: $	Not Applicable, the recipient did not propose Contractual costs: ☒

Project Officer:

The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☐

The contractual costs proposed in the negotiated budget are reasonable: ☐ Yes

Please fill out the following table with the negotiated costs:

Subrecipient/Vendor Name	BP 1 Cost	BP 2 Cost	Total Cost	Contribution to Project (Identify SOPO Tasks)

Did the Recipient propose any subrecipients with total costs above $100,000? ☐ Yes ☐ No (If Yes, a separate Technical Evaluation/Negotiation Memorandum is required for each subrecipient/vendor – see below)

☐ Specialist concurs.

7. Construction:

Total Negotiated Construction Costs: $	Not Applicable, the recipient did not propose Construction costs: ☒

Project Officer:

The type of construction proposed in the negotiated budget is appropriate for the scope of work: ☐

The construction costs proposed in the negotiated budget are reasonable: ☐

☐ Specialist concurs.

8. Other Direct Costs:

Total Negotiated Other Direct Costs: $	Not Applicable, the recipient did not propose Other Direct costs: ☒

Project Officer:

The types of other direct costs proposed in the negotiated budget are reasonable for the scope of work: ☐

The costs proposed in the negotiated budget for other direct costs are reasonable for the scope of work: ☐

If the negotiated other direct cost budget is greater than $100,000 or greater than 15% of the total negotiated budget, please explain the costs and rationale below:

☐ Specialist concurs.

9. Indirect Charges:

REDACTED
EXEMPTION 4

Total Negotiated Indirect Costs:	Not Applicable, the recipient did not propose Indirect costs: ☐

Specialist:

Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____

Cite Federal Cognizant Agency: _____

If No, select one of the following:

☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)

List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following tables with the negotiated costs:

Base Item	Base Cost	Rate	Indirect Cost
Example Only: Modified Total Direct Costs	*$100,000*	*25%*	*$25,000*
Total:			

The indirect costs proposed in the negotiated budget were appropriately applied and are reasonable: ☐

Subrecipient: _BlueFire Ethanol Fuels, Inc._

EE0002877

Complete this section for each subrecipient with proposed total costs of $100,000 or more. Otherwise, delete this section.

***For awards to corporations and nonprofits**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $250,000 or greater than or equal to 50% of the total project costs, whichever is less. **For awards to Universities, States, and Local Governments**, full reviews of their individual sub-recipients will be conducted for sub-recipient work with total costs (including cost share) greater than or equal to $500,000 or greater than or equal to 25% of the total project costs, whichever is less.*

*Full reviews consist of Tech Evaluation/Negotiation Memos covering reviews of budgets, budget justifications, and scopes of work. **For all sub-recipients costs that are below these thresholds, projects must continue to be assessed for reasonableness on the basis of the explanation (cost and brief description of work) presented by the Recipient in their application.***

Subrecipient: nc. REDACTED EXEMPTION 4

Comment [CL57]:

SECTION II – NEGOTIATION SUMMARY

Project Officer/Specialist to complete:

5. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document	Date of Submission	Summary of Change
Original		3/3/10	Submission from previous amendment; however, only the BP1 amounts were evaluated. At the time, recipient indicated that the BP2 figures were ready for evaluation.
Revision 1			
Revision 2			
Revision "n"			

REDACTED EXEMPTION 5 (Deliberative Process)

Comment [c58]:

6. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Original BP 2 Budget Submission	Final Negotiated Costs (BP 2 Revision)	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel Fringe Benefits Travel Equipment Supplies Contractual Construction Other			REDACTED EXEMPTION 4		
Total Direct Charges Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC) DOE Share (FFRDC) Total DOE Share					
Non-Federal Cost Share					

Comment [c59]: Fill this out

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Is the original budget the same as the negotiated budget: ☐ Yes ☐ No

If No, please check all boxes that apply:

- ☐ Change in the Project Scope
- ☐ Changes due to Time Delays
- ☐ Math Errors in Budget
- ☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs
- ☐ Indirect/Fringe Rates incorrectly applied
- ☐ Other (explain) _____

6. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

Project Officer commentary:

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Personnel costs: ☐

Project Officer:

The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☐

The labor mix proposed in the negotiated budget is reasonable: ☐

The personnel associated with this project are for the production of lignocellulosic biomass-based sugars for this project. There are uniquely titled positions described by the applicant, some of which may include multiple persons. The total personnel costs for this project are

Principal
Chief Technology Officer
Senior Project Manager
Senior Project Engineer
Financial Officer
Contract Administrator
Project Engineer
Project Contracts/Procurement
Lab Technician
Chemical Worker
Secretary
Project Accountant

Comment [CL60]:

REDACTED EXEMPTION 5

(Deliberative Process)

REDACTED EXEMPTION 4

Comment [c61

Specialist:

Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1			Budget Period 2		
	Hours	Rate	Total	Hours	Rate	Total
Total:						

REDACTED EXEMPTION 4

Negotiated labor rates are reasonable: ☐ (Please attach supporting documentation e.g. www.salary.com, if applicable)

2. Fringe Benefits:

Total Negotiated Fringe Benefit Costs:	Not Applicable, the recipient did not propose Fringe Benefit costs: ☐

REDACTED EXEMPTION 4

Specialist:
Does the Recipient have an approved rate agreement: ☐ Yes ☐ No

If Yes, List the Date of Rate Agreement: _____
Cite Federal Cognizant Agency: _____

If No, select one of the following:
☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)
List Date of review: _____

☐ Specialist determined that rate was reasonable

☐ Other: _____

Please fill out the following table with the negotiated costs:

	Personnel	Total Cost	Fringe Rate	Cost
Example Only	*Principal Investigator*	*$100,000*	*25%*	*$25,000*
Total:				

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☐

REDACTED EXEMPTION 4

3. Travel:

Total Negotiated Travel Costs:	Not Applicable, the recipient did not propose Travel costs: ☐