



# Green Fertilizer Grant Fiscal Year 2027 Request for Proposals (RFP)

**Applications due by 4 p.m. on July 15, 2026**

06/10/2026

Minnesota Department of Agriculture  
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[mda.state.mn.us](http://mda.state.mn.us)

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# Grant Summary

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## Overview

The Minnesota Department of Agriculture (MDA) is accepting applications for the Green Fertilizer Grant Program, authorized under Minnesota Law 2023 Chapter 60, Article 12, Section 76. The program provides funding to agricultural and rural electric cooperatives organized under [MINN. STAT. 308A](#) or [308B](#) to invest in green fertilizer production facilities located in Minnesota. All information about the program is available on the program's webpage. Applications will be accepted until Wednesday, July 15, at 4 p.m. Central Time (CT).

Program funds can be combined with available federal financial assistance programs, such as through the Inflation Reduction Act (IRA) Clean Hydrogen Production Credit (45V) program or the United States Department of Energy (DOE) loan programs.

Green fertilizers are nitrogen-based fertilizers produced from water, air, and renewable energy and have significant climate and sustainability benefits compared to conventionally made nitrogen fertilizers. Production and use of green fertilizers are one strategy to reduce upstream greenhouse gas emissions in the agriculture sector.

A successful grant application requires close collaboration between the cooperative and the green fertilizer producer. The application includes a pre-award organizational capacity assessment of the cooperative and requires detailed information about the green fertilizer production facility to ensure grant funds are invested in business-ready and shovel-ready projects.

## Funding availability

The MDA has approximately \$3.8 million available for eligible projects using a competitive review process. The minimum grant award is \$250,000 and the maximum grant amount is \$3.8 million. The MDA anticipates awarding one to three grants; however, the total number of awards and the funding per award will be determined through the proposal review process. A cooperative may apply for funding to invest in multiple green fertilizer production facilities; however, the cooperative must submit separate applications for each production facility. Grant contract agreements are anticipated to be for three years, with an expected start date of October 2026 and an expiration date of September 30, 2029.

If selected, grantees may only incur eligible expenditures when the grant contract agreement is fully executed (signed by all parties), the grant has reached its effective date, and the grantee has been notified by the state's authorized representative that they may begin work.

## Definitions

For the purposes of this RFP, the following terms are defined as:

**Green fertilizer** – means a nitrogen-based fertilizer produced from green hydrogen.

**Green fertilizer production facility** – means a facility including production and storage infrastructure required to make anhydrous ammonia or urea fertilizer from renewable energy. The final production of green fertilizer must occur within Minnesota.

**Green hydrogen** – means hydrogen produced by splitting water molecules using either 1) grid-based electrolyzers that have matched their electricity consumption with wind or solar, or 2) electrolyzers connected directly to a wind or solar facility. The green hydrogen must have a carbon intensity not greater than four kilograms of carbon dioxide equivalent per kilogram of hydrogen produced. This carbon intensity threshold aligns with the IRA Clean Hydrogen Production Credit provisions.

**Carbon intensity** – means a measure of lifecycle greenhouse gas emissions for the process to produce a unit of energy or product. Carbon intensity is a way to compare environmental impacts of different fuels, products, and activities. The United States DOE Argonne Laboratory GREET® (Greenhouse gases, Regulated Emissions, and Energy use in Technologies) model assesses lifecycle greenhouse gas emissions of fuels and products like hydrogen.

**Grid-based matching** – means 100% of the grid electricity consumption required for producing green hydrogen is matched by procuring renewable energy credits (RECs). RECs must be sourced from wind or solar facilities within 100 miles of the green fertilizer production facility. The cooperative is required to annually provide REC procurement documentation to the MDA.

**Long-term offtake agreement** – means a legal contract between the cooperative and the green fertilizer producer where the cooperative commits to purchasing a portion of the fertilizer producer's future output. For the purposes of this grant program, the offtake agreement must be in effect through 2032 to align with the appropriation funding and the MDA's reporting requirements.

## Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making.

Office of Grants Management (OGM) [Policy 08-02: Rating Criteria for Competitive Grant Review \(PDF\)](#) establishes the expectation that grant programs intentionally show how the grant serves diverse populations, especially populations experiencing inequities or disparities. Applicants with projects that are led by, impact, or serve Native American Tribal communities are encouraged to apply.

This scoring criteria of this grant program will prioritize:

- Projects demonstrating strong business readiness.
- Projects demonstrating support through private financing, state loans, or federal sources.
- Projects located in counties with a poverty rate greater than 9%, using the [Minnesota Poverty Map](#) from the National Institute on Minority Health and Health Disparities. (The average rate of poverty in Minnesota is 9.3% according to the U.S. Census Bureau's report, [Poverty in States and Metropolitan Areas: 2023](#)).

These priorities and the desired impacts/outcomes of grant projects are reflected in the [Project Evaluation Profile](#), which describes the scoring criteria and weight that will be used by reviewers to evaluate your application.

## Timeline and deadlines

- June 10, 2026 .....Application period begins.
- July 1, 2026, 4 p.m. CT .....Deadline to ask questions.
- July 15, 2026, 4 p.m. CT .....Applications due.
- July 16 to August 31, 2026 .....Application review process and pre-award risk assessments.
- Early September 2026 .....Applicants notified of decisions; grant contracting begins.
- Early October 2026 .....Anticipated project start date.
- September 30, 2029 .....Planned project end date.

If selected, grantees may only incur eligible expenditures when the grant contract agreement is fully executed (signed by all parties), the grant agreement has reached its effective date, and the grantee has been notified that they may begin work.

## How to apply

- Apply for the Green Fertilizer Grant using our [online application system](#).
  - If you're a new user, you need to create an account first. Use this [how-to guide \(PDF\)](#) to help set up your account.
  - Once you're logged in, select "Green Fertilizer Grant FY 2026."
  - After you have submitted your application, you will receive a confirmation email. Contact [MDA.AGRIGrants@state.mn.us](mailto:MDA.AGRIGrants@state.mn.us) if you do not receive this email.
- We must receive your application by **4 p.m. CT on Wednesday, July 15, 2026**, to be considered for funding.
  - We will not accept late applications.
  - Apply early so there is enough time to get help with the online application system if needed.
  - It's best practice to submit your application at least 24 hours in advance.

The MDA is not responsible for any technical or logistical problems resulting in the MDA not receiving the application on time. It is the responsibility of the applicant to ensure that submission is received by the MDA before the deadline.

Incomplete applications will be rejected and not evaluated. Applications must include all required application materials, including attachments. Do not provide any materials that are not requested in this RFP, as such materials will not be considered nor evaluated.

The MDA reserves the right to reject any application that does not meet these requirements.

By applying, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential grant award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the applicant to suspension or debarment proceedings and other remedies available by law.

For help with the online application system:

- Call 651-201-6500, or
- Email [MDA.AGRIGrants@state.mn.us](mailto:MDA.AGRIGrants@state.mn.us) with “Green Fertilizer Grant Application” in the subject line.

**Note: All costs incurred in responding to this RFP will be borne by the applicant.**

## How to submit questions

All questions regarding this RFP must be submitted by email to [MDA.AGRIGrants@state.mn.us](mailto:MDA.AGRIGrants@state.mn.us) before **4 p.m. CT, July 1, 2026**. We will publish answers to all submitted questions on our website after the question deadline has passed.

MDA employees are not authorized to give advice on applications. Applicants who solicit or receive advice from unauthorized MDA employees may be disqualified from eligibility for a grant award.

## Application guidelines

- Use plain, easily understood language. Write for reviewers who have general knowledge but may not have a thorough or deep understanding of your organization or project.
- Answer all questions completely within the character limits specified in the grant application.
- Although some questions are labeled as optional, we strongly recommend responding to those questions or uploading the appropriate documents.
- Review the Project Evaluation Profile included in this document, as it is used to score and compare grant applications.
- Ensure your application is unique to your business/project. If you are submitting applications for multiple locations, tailor each application to the specific site.
- Make your budget realistic, include only eligible items, and clearly explain how the money will be spent.

# Grant Eligibility

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## Eligible applicants

Applicants must meet the following minimum requirements to be considered for this grant opportunity:

- Be organized under MINN. STAT. 308A or 308B as an agricultural or rural electric cooperative.
- Intend to invest in a facility that produces green fertilizer.
- Commit to a long-term offtake agreement(s) with the green fertilizer production facility.
- Commit to provide training in fertilizer application best management practices and develop a program to share information with cooperative members.
- Be in good standing with the State of Minnesota:
  - No back taxes owed.
  - No defaults on Minnesota state-backed financing for the last seven years.
  - Acceptable performance on any past MDA grants and other state agencies.
  - Compliant with current state regulations.
- Be appropriately licensed and authorized to conduct business in Minnesota.

MDA employees, their spouses/domestic partners, or any cooperatives owned or principally operated by them, or their spouses/domestic partners are not eligible applicants and are not eligible to receive funds from this grant program. In the application, applicants must also disclose the names and roles of any MDA employees or their spouses/domestic partners who are part of the cooperative's leadership, board of directors, or governing body.

Applicants should review the [conflicts of interest](#) section of this RFP prior to applying. Grantees must agree to these rules as a part of the grant contract agreement.

## Collaboration

Collaboration between the cooperative and the green fertilizer producer is needed for a successful application. A cooperative can apply for funding to invest in multiple green fertilizer production facilities, but it must submit separate applications for each facility.

If eligible applicants are submitting a joint application, they must provide a written description of the proposed collaboration and determine which business or organization will have the grant contract agreement with the MDA and will work directly with the MDA to meet grant reporting requirements. The entity working directly with the MDA will receive a 1099 from the State of Minnesota for income tax purposes. Indirect costs or administrative fees to facilitate a joint project are not eligible for reimbursement.

## Eligible expenses

Investments in green fertilizer production facilities located in Minnesota are the only eligible expenses allowed in the Green Fertilizer Grant Program. Eligible expense guidance and bidding requirements pertain to the grantee—the agricultural or rural electric cooperative—not to the activities of the green fertilizer production facility. The MDA has defined 'invest' to mean the purchase of equity shares, or a similar ownership stake.

## Eligible production facilities

Green fertilizer production facilities must meet the following criteria:

- Use renewable energy in the production of anhydrous ammonia, urea, or hydrogen.
- Hydrogen used to make green fertilizer must meet the definition of green hydrogen outlined in the definitions section of this RFP.
- Renewable energy, hydrogen, and ammonia must be produced within 100 miles of the green fertilizer production facility.
- Produce the final green fertilizer product in Minnesota.
- Be operational within five years of grant agreement effective date.
- Begin construction before December 31, 2027. This criterion may be revised if the related eligibility deadline for 45V Clean Hydrogen Production Tax Credit is extended.

If the MDA accepts your proposal, the MDA will reimburse eligible costs included in the MDA-approved project budget. All work must be completed during the effective dates of the contract; invoices must clearly indicate when the item was purchased or when the service was performed. All requests for reimbursement must be documented and submitted to the MDA no later than 30 calendar days after the grant end date.

## Ineligible expenses

Ineligible expenses include but are not limited to:

- Costs, including pre-ordering, incurred before the grant contract agreement is signed by all parties and reached its start date, whichever is later, are not eligible for reimbursement. Obtaining bids and quotes is allowed before the grant contract agreement is executed; however, accepting these bids/quotes before execution of the grant contract agreement is not allowed.
- Costs incurred or paid after the grant contract agreement expires are not eligible for reimbursement.
- Expenses paid for in cash.
- Permit applications and feasibility studies (pre-design or design).
- Accountant fees, attorney fees, consultant fees, lifecycle analysis, and transaction costs.
- Application costs, including any costs required for producing or providing the documents necessary for the pre-award risk assessment.
- Advertising and public relations costs.
- Capital improvements, such as construction costs or other capital expenditures, including manufacturing and processing equipment, shipping, labor, or material storage.
- Owner and employees' wages and benefits.
- General operating and overhead costs.
- Donations or volunteer(in-kind) services from the applicant from the applicant. While these may be offered as contributions from professional and technical personnel, consultants, and other skilled and unskilled labor, the value of these services is not an eligible cost.
- Indirect costs (expenses of doing business that are not readily identified with the project).
- Fundraising.
- Taxes, except sales tax on goods and services.

- Lobbyists, including costs of membership in organizations substantially engaged in lobbying, and political contributions.
- Bad debts, late payment fees, finance charges, legal costs, or contingency funds.
- Fines, penalties, and other settlement expenses resulting from failure of the applicant to follow federal, state, local, or Tribal nation laws and regulations.
- Parking or traffic violations.
- Out-of-state transportation and travel expenses. Minnesota will be considered the home state for deciding whether travel is out of state.
- Expenses that have been or will be reimbursed under any federal, state, or local government funding or other grants. Projects receiving funding from another grant may not receive funding for the same activities and expenses (i.e., no “double-dipping”).
- Costs of goods or services for personal use of the employees – regardless of whether the cost is reported as taxable income to the employees.
- Entertainment, amusement, diversion, social activities, gifts, or any costs associated with such purchases (such as tickets to shows or sports events, meals, lodging, rentals, transportation, alcohol, and gratuities).
- Any purchase of goods or services from family members of the cooperative’s owners, principal operators, or board members. As defined by Internal Revenue Code, Section 267(c)(4), family includes siblings, parents, grandchildren, and spouses.
- Any purchases of goods or services from an entity with which the applicant, its owners, principal operators, board members, or spouses and domestic partners of board members own an interest, or an entity of which they are an employee.
- Shipping to out-of-state locations.

The project expenses listed above are not an exhaustive list. Other practices not explicitly listed here may be deemed ineligible by the grant review committee or the commissioner.

## Matching funds

The Green Fertilizer Grant Program is a reimbursement grant. The cooperative must provide no less than 50% match towards their total investment. Documentation showing payment for the full cost of the project is required for grantees to receive the awarded reimbursement amount. Grant funds may be used to reimburse up to 50% of the cooperative’s investment in the green fertilizer production facility. Sources of funding for the cooperative’s match may include cash, loans, or other grants. State grant funds cannot be used for the grantee match of the project, but non-forgivable loans from the state may be used as a match. In-kind matches are not allowed.

Cooperatives must supply documentation showing payment for the full cost of the investment to receive the awarded reimbursement amount.

### Example:

A cooperative invests \$6 million in a green fertilizer facility. The cooperative is eligible for \$3 million in grant funds; the remaining \$3 million must be paid with other allowable sources.

# Application Review Policies and Processes

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## Review process

Funding will be allocated through a competitive process. During the first phase of the review process, MDA staff and external reviewers evaluate all eligible applications based on the criteria and point scale in the Project Evaluation Profile. The commissioner of agriculture reviews the committee's recommendations and makes the award decision. Reviewers, staff, and the commissioner may consider geographic distribution, applicant's history as a state grantee including performance on previous grants, compliance with state rules and regulations, and capacity to perform the work.

The MDA reserves the right to offer partial awards based on an assessment of the proposal, the pool of applicants, funding availability, or overall objectives of the grant program.

Applicants that are recommended for funding in the first phase of the review process will be contacted by MDA staff and move on to phase two of the review process, the pre-award risk assessment review.

The MDA will notify applicants, both successful and unsuccessful, in writing. Applicants may request a summary of reviewers' scores.

## Pre-award risk assessment

The MDA is required to complete a pre-award risk assessment review of grantees selected to receive a grant award of \$50,000 or greater ([MINN. STAT. 16B.981](#) and [OGM Policy 08-06: Pre-award Risk Assessment of Potential Grantees \(PDF\)](#)). These applicants must submit the following documents within 30 calendar days of notification:

### For-profit cooperatives

- A copy of the cooperative's two most recent years of federal and state tax returns. If the business has not been in business long enough to have a tax return, then they must submit financial statements and documentation of internal controls.
- Financial statements including annual balance sheets, income statements, and statements of cashflows for the two most recent business years; or for new cooperatives, actual financial statements for the periods that are available and pro forma financial projections for at least a two-year period.
- Certification that you or your entity has not been suspended or debarred by the State of Minnesota or with the federal government.
- Documentation that the business is in good standing with the Office of the Secretary of State.
- Certification that the business is not under bankruptcy proceedings and disclosure of any liens on assets.
- Certification that you, your board members, staff, or anyone else with authority to access grant funds have not been convicted of a felony financial crime in the last 10 years.
- A description of your capacity to complete the project. This may include your current staffing, project partners, current budget, and previous experience performing similar work. You will also need to provide information on any grants received from the MDA or other state agency in the last five years.

## Nonprofit cooperatives

- A copy of the nonprofit cooperative's two most recent Internal Revenue Service Forms 990 or Forms 990-EZ. If the nonprofit has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, then they must submit the following information:
  - Proof of its tax-exempt status
  - Board-reviewed financial statements for the two most recent business years, or for new cooperatives, actual financial statements for the periods that are available and pro forma financial projections for at least a two-year period.
  - Documentation of your organization's internal controls.
- The two most recent certified financial audits if required to complete one ([MINN.STAT. 309.53, Subd. 3](#)) (if the organization has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement).
- Certification that you or your entity has not been suspended or debarred by the State of Minnesota or with the federal government.
- Documentation that your organization is in good standing with the Office of the Secretary of State, is registered with the Attorney General's office, and is current on its annual reporting requirements, if required for your organization ([MINN.STAT. 309.515](#), [309.52](#), and [309.53](#)).
- Certification that you, your board members, staff, or anyone else with authority to access grant funds have not been convicted of a felony financial crime in the last 10 years.
- A description of your capacity to complete the project. This may include your current staffing, project partners, current budget, and previous experience performing similar work. You will also need to provide information on any grants received from the MDA or other state agency in the last five years.

If the MDA determines that the awardee has substantial risks that inhibit its ability to perform the required duties under the grant contract agreement, then the MDA may either request more information for the purpose of satisfying the concerns, develop a risk mitigation plan to protect the interests of the state, or not award the grant.

## Conflicts of interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers ([MINN. STAT.16B.98](#) and [OGM Policy 08-01: Conflict of Interest in State Grant-Making Policy \(PDF\)](#)).

Organizational conflicts of interest occur when:

- A grantee or applicant is unable or potentially unable to give impartial assistance or advice to the MDA due to competing duties or loyalties, including when grantees or applicants are an employee or spouse of an MDA employee.
- A grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

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

## Privacy notice and data classification

The information provided by an applicant will be used to assess the applicant's eligibility to receive a grant under this program. The decision to apply for this grant is voluntary, and applicants are not legally required to provide any of the requested information. Applicants may decline to complete this application without any legal consequence. However, only completed applications will be considered for a grant; incomplete applications will not be considered.

Data provided in this application is initially classified by the Minnesota Data Practices Act as private or nonpublic, although some or all the data will generally become public at various points of the application process unless the data are otherwise classified by state or federal law. Access to private or nonpublic data is limited to those authorized by law, including but not necessarily limited to MDA staff and contractors with a valid work assignment to access the data, parties authorized by the applicant, parties identified in a valid court order or federal subpoena, Minnesota Management and Budget, Minnesota Department of Administration, the state auditor, and the legislative auditor. If necessary, the MDA may also share the data with law enforcement or the Office of the Attorney General.

Per Minnesota's statute on grants ([MINN. STAT. 13.599](#)):

- Names and addresses of grant applicants, and the grant amount requested, will be public data once application responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in [MINN. STAT. 13.37](#)) will be public data after the evaluation process is completed.
- All data created or maintained by the MDA as part of the evaluation process (except trade secret data as defined and classified in [MINN. STAT. 13.37](#)) will be public data after the evaluation process is completed.

Procedure for claiming protection of trade secrets:

Trade secret information is classified as not public data. In order to qualify as trade secret information, the data in question must be provided to the MDA by the affected person (i.e. the data must be about the applicant) and otherwise meet the legal definition found in statute ([MINN. STAT. 13.37, subd. 1\(b\)](#)). In order for an applicant to assert trade secret protection for data submitted as part of this application, the applicant must: 1) clearly identify the specific formula, pattern, compilation, program, device, method, technique, or process that the applicant believes to be trade secret information; 2) describe what efforts the applicant takes to maintain the secrecy of the data; and 3) adequately explain how the data derive(s) independent economic value from not being generally known to, and not readily ascertainable by proper means by, other persons. Merely asserting trade secret protection does not, in and of itself, classify the data in question as not public; determining what data meet the definition of

trade secret information is ultimately the legal responsibility of the MDA, and the MDA cannot guarantee that data identified as trade secret information by an applicant will be classified as such. If the MDA determines that data do not meet the definition of trade secret information, the data in question will be available to the public unless the applicant secures a court order saying otherwise.

All persons, businesses, and individuals applying for grants in the state of Minnesota must comply with applicable laws. Under the law titled Right of Setoff ([MINN. STAT. 270C.65, subd. 3](#)), a grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies, and to state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring a grantee to file state tax returns and pay delinquent state tax liabilities, if any.

# Requirements for Grant Recipients

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## Grant award agreement

Each grantee must formally enter into a grant contract agreement with the MDA. The grant contract agreement will address the conditions of the award, including implementation for the project. Grant contract agreement templates are available for review on the [OGM Forms and FAQs webpage](#). The MDA reserves the right to adjust these templates.

Upon approval of an application, completion of the pre-award risk assessment, and before beginning work on the grant project(s) and incurring any grant expenses, the applicant must:

- Complete an IRS W-9 form or register as a vendor in SWIFT, the state's accounting system, or confirm that the information in SWIFT is still correct.
- Submit other required documentation within 15 days of award notification.
- Read and sign a grant contract agreement within 30 calendar days of being sent to the grantee. Failure to sign the contract within 30 calendar days may result in the award being rescinded.

You cannot begin work on grant activities or incur any grant expenses until a fully executed grant contract agreement is in place and you have been notified by the State's Authorized Representative that work may start. In other words, you cannot contract with vendors or purchase any equipment before the requirements listed above are met.

A fully executed grant contract agreement is one that has been signed by all parties and reached its start date, whichever is later. You must comply with the conditions and the grant contract agreement, and you will be legally responsible for assuring implementation of the grantee duties and compliance with all applicable state and federal requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

Some changes may become necessary during your project. Many of these changes require pre-approval from the MDA. Additionally, the changes may require an amendment to the grant contract agreement or state plan. Changes requiring pre-approval include switching vendors that are named in the grant contract or purchasing equipment that is not included in the grant contract.

Grant contract agreements will be for three years, with an expected start date of October 2026 and an expiration date of September 30, 2029. Agreements may be extended up to two additional years at the MDA's discretion. Grantees must notify the MDA if they would like to request an extension prior to the expiration of the contract.

## Accountability and reporting

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all the terms in the grant contract agreement have been met.

Reports will be due October 1 of each year. A final report will also be required at the completion of the project and additional information about the long-term impact will be collected through 2032.

The MDA commissioner reserves the right to modify reporting requirements at any time. These reports include but are not limited to the following:

- Summary of the green fertilizer facility's progress in raising capital, permitting, construction, fertilizer production, etc.
- Quantity and types of green fertilizer produced.
- Documentation of the carbon intensity of the green hydrogen feedstock, verifying it is not greater than four kilograms of carbon dioxide equivalent per kilogram of hydrogen produced.
- Documentation of the carbon intensity of the final fertilizer product.
- A copy of the enacted contract for the long-term offtake agreement of green fertilizer.
- A summary of the cooperative's fertilizer application best management practices training program required for cooperative members.
- Price and quantity of green fertilizer sold to cooperative members and comparative analysis to conventionally produced anhydrous ammonia and urea fertilizers.
- Quantity and sources of electricity consumed to make green hydrogen, and documentation of grid-based matching, if necessary for the project.

Grant payments will not be made on grants with past due progress reports unless the MDA has given the grantee a written extension. If the green fertilizer production facility is not operating at commercial scale by September 30, 2031, the MDA has the right to recover grant funds from the cooperative investor. In the event the green fertilizer facility returns investment funds to the cooperative, the MDA may require the cooperative to return the funds to the MDA.

Failure to regularly report, respond to surveys, and promptly respond to information requests may impact the grantee's ability to secure future funding from the MDA or other state agencies.

Information reported to the MDA may be classified as public data. If the grantee considers any information in the report to be trade secret, the grantee may request that the trade secret information be kept confidential and must specifically label that information. The MDA will notify the grantee if a public records request is made for the information claimed as protected by the grantee.

## **Monitoring**

The grant agreement allows the MDA to monitor the progress of the project. The MDA will perform annual monitoring visits for all grantees. Additional site visits may be made at the MDA's discretion.

The MDA monitors grantees to ensure that work is progressing within the required time frame, to collect data on outcomes, determine if financial procedures are followed accurately and appropriately, and/or verify purchases made with grant funds. The MDA will perform a financial reconciliation of at least one payment on grants of greater than \$25,000 and will require the submission and review of cost documentation showing proof of purchase and payment described in the Payments section below. Financial reconciliation may be performed on additional payment requests at the discretion of the MDA.

The MDA performs at least one monitoring visit for all grantees with awards of greater than \$25,000 before approving final payment. Other grantees may receive monitoring visits at the discretion of the MDA. Monitoring visits are typically done in-person at the project site but may also be done via phone or video conferencing (sometimes called “desk audits”) and may include review and discussion of financial and program information.

## Payments

Grant funds are dispersed on a reimbursement basis. All grantee requests for reimbursement must correspond to the approved grant budget and be tied to documented progress working on the project. The MDA shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment.

Typically, requests for reimbursement must include two types of proof for each expense: proof of purchase (e.g., invoices, itemized receipts, payroll reports, etc.); and proof of payment (e.g., cleared checks, credit card statements, bank statements, proof of payroll payment, etc.).

All requests for reimbursement must be submitted to the MDA no later than 30 calendar days after the grant end date. Grant payments will not be made on grants with past due progress reports unless the MDA has given the grantee a written extension.

The MDA may, at its discretion, hold back the final 10% of the grant award until the grantee demonstrates completion of their objectives described in their proposal, including completion of reporting, unless otherwise approved by the MDA.

The MDA will perform a financial reconciliation. Any additional requests must be submitted by the grantee before the MDA provides reimbursement. Grant payments will not be made on grants if required documentation related to the invoice or financial reconciliation is missing.

Grant payments may be used to fulfill federal and state tax liabilities or may be withheld until the grantee has paid any tax liabilities ([MINN. STAT. 270C.65, subd. 3](#) and other applicable laws).

Grant payments are distributed after payment cycle thresholds have been met and financial reconciliation is completed by MDA grant staff.

Expected payment cycles:

- No more than 40% of grant funds will be reimbursed until the green fertilizer facility demonstrates the project is fully financed, and the cooperative’s equity financing is defined and committed.
- No more than 50% of grant funds will be reimbursed until green fertilizer production begins.
- The final payment will not be made until the MDA receives evidence that cooperative members have purchased green fertilizer according to terms in the offtake agreement.

Actual payment cycles may be negotiated with the MDA during development of the final grant contract agreement.

## Contracting and bidding requirements

All grantees must follow the State's bidding requirements when buying supplies or services based on their entity type and the cost of the purchase.

### Nongovernmental entities

Grantees that are nongovernmental entities, including businesses, nonprofits, and individuals, must use these guidelines:

- Any services and/or materials that are expected to cost \$100,000 or more must use a formal notice and bidding process.
- Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three verbal quotes or bids or be awarded to a targeted vendor.
- Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two verbal quotes or bids or be awarded to a targeted vendor.
- The grantee must take all necessary affirmative steps to ensure that targeted vendors from businesses with active certifications through these entities are used when possible:
  - [Office of State Procurement- Targeted Group, Economically Disadvantaged, and Veteran-Owned Vendor \(TG/ED/VO\) List](#)
  - [Metropolitan Council Underutilized Business \(MCUB\) Program Directory](#)
  - [Central Certification \(CERT\) Directory](#)
- The grantee must maintain written standards of conduct covering conflicts of interest and governing their actions and the actions of its employees (if applicable) for the selection, award, and administration of contracts.
- The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single source bid, if applicable.
- Notwithstanding the above, the MDA may waive bidding process requirements when:
  - Vendors included in the response to a competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant; or
  - It is determined there is only one reasonably able and available source for such materials or services and that the grantee has established a fair and reasonable price.
- The grantee and any subrecipients/subcontractors must comply with prevailing wage rules, as applicable ([MINN. STAT. 177.41](#) through [MINN. STAT. 177.50](#)).
- The grantee and any subrecipients/subcontractors must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government. See [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#) and [System for Award Management \(SAM.gov\)](#)

## Political subdivisions and municipalities

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

- Municipalities are required to comply with the Uniform Municipal Contracting Law ([MINN. STAT. 471.345](#)).
- The grantee and any subrecipients must comply with prevailing wage rules, as applicable ([MINN. STAT. 177.41](#) through [MINN. STAT. 177.50](#)).
- Municipalities and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government (See [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#)) and [System for Award Management \(SAM.gov\)](#).

The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

## Grantee website and publicity

All grant projects must publicly credit the MDA funding in all public communications, presentations, and printed materials and include that information on the grantee's website. Additionally, grantees with a website must clearly post on their website the names and contact information for the grantee's leadership and the employee(s) or other person(s) who directly manages and oversees the grant contract agreement on behalf of the grantee (the authorized representative) ([MINN. STAT. 16B.98, subd. 5 \(d\)](#)).

## Audits and record retention

The grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the commissioner of administration, the MDA, the state auditor, the attorney general, and the legislative auditor as appropriate ([MINN. STAT. 16B.98, subd. 8](#)). This requirement will last for a minimum of six years from the grant contract agreement end date, approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Grantees are responsible for the retention of documents and records relevant to their grants. Grantees should maintain a project file containing copies of all invoices, receipts, proofs of payment, reimbursement requests, important correspondence with the MDA, progress reports, and any other documents associated with the project. Upon request by state or federal agencies, the grantee shall produce a legible copy of the records saved in their project file.

## Affirmative action and non-discrimination policy

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, gender identity, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, familial status or age in regard to any position for which the employee or applicant for employment is qualified ([MINN. STAT. 363A.02](#)). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability regarding any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship ([Minnesota Rules, part 5000.3500](#)).

The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the [Minnesota Human Rights Act](#).

### **Voter registration requirement**

The grantee will provide voter registration services for its employees ([MINN. STAT. 201.162](#)).

### **Grantee evaluation**

Prior to the closeout of the grant, the MDA will evaluate the performance of all grantees. The evaluation will include the purpose of the grant; the amount provided to the grantee; information about the grantee's timeliness, quality, and overall performance in meeting the terms and objectives of the grant; if the grant was terminated; and any concerns with grantee's use of State funds. Evaluations of grantee performance for grant contract agreements greater than \$25,000 must be provided by the MDA to the Minnesota Department of Administration ([MINN.STAT. 16B.98, subd. 12](#)). Evaluations are considered public data ([MINN. STAT. 13.599](#)).

## **Right of Cancellation**

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

# Project Evaluation Profile

Evaluation Criteria	Maximum Score
The cooperative’s investment is realistic and appropriate for the size and scope of the project and its projected return for cooperative members.	<b>20</b>
The green fertilizer producer has secured a loan guarantee or other financing from private, state, or federal sources.	<b>10</b>
The green fertilizer production facility has nearly completed their capital stack, and if not, has a sound plan for completion.	<b>10</b>
Feasibility studies and/or front-end engineering design (FEED) studies have been completed for the green fertilizer facility and final product. These studies adequately address current market, financial, technical, and economic feasibility.	<b>15</b>
<p>The green fertilizer producer’s business plan adequately addresses:</p> <ul style="list-style-type: none"> <li>• Storage and transport of ammonia</li> <li>• Permitting and/or environmental review that may be required for the project</li> <li>• Fertilizer pricing structure and plan to mitigate pricing risks to shareholders</li> <li>• Contingency planning for changes in federal Clean Hydrogen Production Credits</li> </ul>	<b>15</b>
An electric utility partner has been identified, and relevant documentation is provided (e.g., power purchase agreements, plans to directly connect to a wind or solar facility, or grid-based matching).	<b>10</b>
The green fertilizer producer obtained a preliminary third-party verified lifecycle assessment (GREET model or similar) of hydrogen feedstock confirming the hydrogen feedstock meets the definition of ‘green hydrogen’ outlined in the definition section of this RFP.	<b>5</b>
The cooperative commits to contributing matching funds beyond the minimum matching requirement.	<b>10</b>
The green fertilizer production facility is in a county with a poverty rate higher than 9%.	<b>5</b>
<b>Total</b>	<b>100</b>

# Application Questions

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We're providing this preview of the application questions for your convenience. You will answer these questions in our online application system. Please log in and review the online application before preparing your answers. Additional instructions for the questions may be provided within the full application.

## Contact information

### Applicant information

- Project name (name of cooperative and name of production facility)
- Cooperative mailing address
- Cooperative physical address
- Cooperative website
- Contact person (first and last name)
- Contact person's telephone
- Contact person's email address

### Authorized representative

- If awarded a grant, is the person authorized to sign contracts on behalf of the cooperative the same as the contact person listed above. (Yes or No)
- If no, please provide the following Authorized Representative information for signing any resulting grant contract agreement.
  - Name
  - Title
  - Mailing address
  - Telephone
  - Email

## Eligibility

Upload a copy of your cooperative's business filing with the Minnesota Secretary of State showing that your organization is established under MINN. STAT. 308A or 308B and is in good standing. Use the Minnesota Secretary of State's [Business Filings online search](#) to find your organization's document.

Which type of cooperative is your organization?

- Rural Electric Cooperative
- Agricultural Cooperative

How is your cooperative organized (tax status)?

- Nonprofit organization
- For-profit business

If the applicant is a non-profit organization, complete the following questions.

- Does the organization’s leadership, staff (paid or volunteer), board of directors, or governing body include any MDA employees or their spouses or domestic partners? If your project is recommended for a grant award, you will need to disclose additional information as part of the pre-award conflict of interest review. (Yes or No)
- Does the organization’s leadership, staff (paid or volunteer), board of directors, or governing body include any State of Minnesota employees or their spouses or domestic partners? If your project is recommended for a grant award, you will need to disclose additional information as part of the pre-award conflict of interest review. (Yes or No)

Confirm that the following statements apply to the cooperative. You must respond “Yes” to all the statements to be eligible to apply for this grant. If your project is recommended for phase two of the review process, you will need to sign a certification for some of these statements.

- The cooperative does not owe State or Federal taxes and has not defaulted on Minnesota state-backed financing for the past seven years. (Yes)
- The cooperative is compliant with current state regulations. (Yes)
- The cooperative has had acceptable performance on any prior MDA grants. (Yes)
- The cooperative is an agricultural or rural electric cooperative organized under MINN. STAT. 308A or 308B. (Yes)
- The principals of the cooperative are not MDA employees or spouses of an employee of the MDA. (Yes)
- The cooperative is not suspended or debarred by the State of Minnesota or the federal government. If your project is recommended for phase two of the review process, you will need to sign a certification. (Yes)
- The cooperative is in good standing with the Office of the Secretary of State. If your project is recommended for phase two of the review process, you will need to sign a certification. You can verify that you are registered and in good standing by searching for your entity’s name on the [Business Filings online search](#). (Yes)
- The cooperative’s current board members or staff with authority to access grant funds have not been convicted of a felony financial crime in the last 10 years. If your project is recommended for a grant award you will need to sign a certification. A principal is defined as a public official, a board member, or staff (paid or volunteer) with the authority to access funds provided by this grant opportunity or to determine how those funds are used. (Yes)

## Grant request

- Do you acknowledge that you understand the MDA is unable to reimburse any investment(s) made prior to the start date of the contract (expected in October 2026)? (Yes)
- Cooperative’s grant request (minimum is \$250,000 and maximum is \$3,800,000)
- Cooperative’s total investment cost

## Attestations

Attest to the following statements. You must respond “Yes” to all the statements to apply for this grant. If your project is recommended for phase two of the review process, you will need to sign a certification for some of these statements.

- I attest that I have the authority to apply for this grant. (Yes or No)
- I attest that all information supplied in this application is true, correct, and reliable to the best of my knowledge. (Yes or No)
- I attest and understand that the submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject me and my organization to suspension or debarment proceedings, as well as other remedies available by law to the state. (Yes or No)
- I attest and understand that the supporting documentation for the claims and assertions made within this application is available to the Minnesota Department of Agriculture for its review. (Yes or No)
- I attest and understand that the submission of additional documents, as described in the RFP, may be required as part of the pre-award risk assessment if my project is recommended for a grant award.
- I attest that work has not started on the proposed project, and we will not begin work before the grant contract agreement is signed by all parties and reaches its start date, whichever is later. The MDA is unable to reimburse for any work that is performed prior to the effective start date of the grant contract agreement. (Yes or No)
- I attest and understand that any obligation to pay for goods or services made prior to the effective date of the contract cannot be reimbursed by the MDA. Examples of "obligations to pay" for goods or services include purchase orders, retainer agreements, sales orders and any transaction creating and invoice. (Yes or No)

## Previous State of Minnesota grants

Have you been awarded a grant from the State of Minnesota in the past five years? (Yes or No)

- If yes, provide the details of the award amount(s), the duties, and the outcomes of the grant(s). Include grants from all state agencies including the Minnesota Department of Agriculture. (1,000 characters, including spaces)

## Matching funds and payment cycles

Provide an overview of how the cooperative’s investment will be financed, including the state’s amount prior to reimbursement. Include sources of funding such as state, federal, or private loans, etc. (4,000 characters, including spaces)

Upload documentation reflecting current total project cost estimates and financial information, dated after July 1, 2025.

Upload documents verifying investment costs and ability to pay for the investment match. Example documentation includes:

- Term sheet from green fertilizer production facility verifying investment details.
- Letters of commitment written by financial institutions or other organizations that will be providing funding through loans or credit. Letters must be dated on or after July 1, 2025.
- Award letters or letters of credit.
- Letters from financial institutions demonstrating sufficient cash available to fund project. Letters must be dated on or after July 1, 2025. Redact any confidential information such as account numbers.

If the MDA’s expected payment cycle outlined in the RFP is not ideal for the cooperative, please propose an alternative payment cycle. Reimbursement thresholds and payment cycles can be negotiated when finalizing the grant agreement contract. (4,000 characters, including spaces)

## Green fertilizer production facility details

- Business name of green fertilizer production facility owner.
- Location of green fertilizer production facility.
  - City or township
  - County
- Using the [Minnesota Poverty Map](#) from the National Institute on Minority Health and Health Disparities, what is the poverty rate of the county in which your green fertilizer production facility is located?
- total anticipated cost of the green fertilizer production project
- Total dollar amount the green fertilizer production facility owner has secured at time of grant application.
- Has the green fertilizer facility received any private, federal, or other state funding or funding commitments? (Yes or No)
  - If yes, describe the funder(s), amount(s), and term(s). (2,000 characters, including spaces).
  - If yes, upload supporting documentation.
- If the green fertilizer facility has not raised all the capital required for the project, how do they anticipate securing additional capital and what is their timeline for doing so? (4,000 characters, including spaces)

## Business readiness and financial sustainability

### Section A – Cooperative

#### Cooperative summary

Provide a summary of your cooperative (4,000 characters, including spaces). The summary should stand alone to describe:

- The mission and goals of your cooperative.
- The services and products provided by your cooperative.
- The leadership and membership of your cooperative.

#### Performance capacity

Describe your capacity to perform the kind of work that would be funded by the grant or similar work, including your history of performing this kind of work. (1,000 characters, including spaces)

### **Cooperative business plan**

Provide a summary of your cooperative's business plan. Relevant information to include are descriptions of the financial and organizational health of the cooperative, plans for member engagement, market analysis, and funding strategy. (4,000 characters, including spaces)

Upload your cooperative's business plan.

Explain how the green fertilizer investment fits into your business plan and how this project will financially benefit the cooperative and members. (4,000 characters, including spaces)

### **Cooperative due diligence**

Describe the due diligence work the cooperative has completed on its investment in the green fertilizer production facility. (4,000 characters, including spaces)

Have you finalized a long-term offtake agreement with the green fertilizer production facility? (Yes or No)

- If yes, please summarize the agreed upon terms for offtake agreement. (4,000 characters, including spaces)
- If no, please describe your plans and timeline to finalize the offtake agreement. (4,000 characters, including spaces)

### **Fertilizer best management practice training**

Provide a summary of your plan to provide fertilizer best management practice training to cooperative members. (4,000 characters, including spaces)

### **Section B – Green fertilizer facility**

Provide a summary of the green fertilizer production facility project. Include information such as background of the manufacturing site, permit or environmental review requirements if applicable, ammonia storage plans, and anticipated volume of green fertilizer produced annually (4,000 characters, including spaces).

Is the green fertilizer production facility working with engineering and environmental consultants on the project? (Yes or No)

- If yes, who are their consultants and what steps have the consultants taken to secure necessary permits? If they have not started yet, what are their plans to do so? (4,000 characters, including spaces)

Provide a summary of the green fertilizer production facility's business plan. Include a description of the facility's business readiness, including financial health of the organization, and ability to competitively produce green fertilizer without the federal 45V Clean Hydrogen Production Tax Credit. (4,000 characters, including spaces)

Upload a copy of the green fertilizer production facility's business plan.

Has the green fertilizer production facility completed feasibility studies and/or front-end engineering design studies? (Yes or No)

- If yes, provide an executive summary of the feasibility study results. (4,000 characters, including spaces)
- If yes, upload a copy of the feasibility study and/or front-end engineering design study.

Describe the green fertilizer production facility’s performance capacity to complete this project. This includes current staffing, funding, and previous experience. (4,000 characters, including spaces)

Has the green fertilizer production facility’s owner received any grants from the MDA in the last five years? (Yes or No)

- If yes, briefly describe the previous grant project(s), including date(s), amount(s) awarded, and funding source(s). (1,000 characters, including spaces)

Has a preliminary carbon intensity analysis been conducted on the hydrogen feedstock? (Yes or No)

- If yes, upload a copy of the analysis report.
- If no, explain the plan and timeline to complete the preliminary analysis. (2,000 characters, including spaces)

Has the green fertilizer production facility identified an electricity source for hydrogen production? (Yes or No)

- If yes, describe the electricity source and any power agreements in place. For example, are the electrolyzers connected directly to a wind or solar facility? Are the electrolyzers connected directly to a wind or solar facility with supplemental grid-based matching? Are the electrolyzers using grid electricity and do they require grid-based matching? (4,000 characters, including spaces)
- If no, provide information on potential electricity providers and plan to secure access to renewable energy. (2,000 characters, including spaces)

**Work plan and timeline**

Complete a work plan timeline for this project using the template in our online application system. An example is shown below. You should include major milestones for both the cooperative and the green fertilizer production facility. Example milestones include finalize long-term offtake agreement, cooperative makes investment, green fertilizer facility is 100% capitalized, construction begins, construction ends, fertilizer best management practice training begins, cooperative members purchase green fertilizer according to terms in the offtake agreement, etc.

**Example:**

<b>Timeframe</b>	<b>Description of milestone</b>	<b>Responsible party</b>
<b>October 2026</b>	Cooperative makes financial investment	Cooperative CFO
<b>October 2026</b>	Fertilizer facility 100% capitalized	Green fertilizer facility owner
<b>December 2026</b>	Construction begins	Green fertilizer facility
<b>May 2027</b>	Production begins	Green fertilizer facility