

Responses to Questions Received at the Alternative Fuel Infrastructure Program Workshop

Presentation materials from the workshop can be found at the Air District's Alternative Fuel Infrastructure Program website, located at <http://www.baaqmd.gov/Divisions/Strategic-Incentives/Alternative-Fuels-and-Vehicles/Alt-Fuel-Infra.aspx>.

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1. **Question:** How is the project cost-effectiveness for Alternative Fuel Infrastructure funding determined?

Answer: The Air District will perform the Cost-effectiveness (C/E) calculation using information and data provided in the application package. C/E is based on the ratio of TFCA funds awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over project useful life. Projects with the lower C/E values will rank higher because they reduce more pollution per funds awarded than projects with higher C/E values.

Applicants may request a consultation with Air District staff in advance of the submittal deadline to discuss options for improving the cost-effectiveness of their project. However, while a preliminary C/E result can be provided in advance, the Air District will not be able to determine or discuss how any project will rank until after the submittal due date.

2. **Question:** How do applicants provide an accurate estimated number of vehicles to be fueled in order to remain both competitive and cost effective, while receiving the highest potential grant award?

Answer: There are several options for estimating the number of vehicles that will be fueled at the proposed stations. Air District reserves the right to reduce estimates if they are not verifiable.

In order of verifiable data:

- 1) Vehicles operated by applicants that will be fueled at the proposed station, e.g. a school district or a taxi company;
- 2) Applicants may provide letter of support from other users, for example a local trucking company that has a fleet of natural gas vehicles that will use the station;
- 3) Applicants may provide letter of support from potential users or auto manufactures that would be locating vehicles in the area;
- 4) Applicants may conduct a feasibility study to forecast number of vehicles to be fueled at the proposed fueling station during project lifetime based on best data and methodology available.

3. **Question:** What are the Bay Area CARE areas and Priority Development Areas (PDA) and do projects located inside or outside of a CARE area or PDA affect the application scoring and ranking evaluation criteria?

***Answer:** The Bay Area Community Air Risk Evaluation (CARE) program identifies highly impacted communities in the Bay Area that experience higher pollution levels and corresponding negative health effects compared to other communities in the Bay Area. The Priority Development Areas (PDA) are locally identified infill development areas near transit. Projects located outside of these areas are eligible to apply under the current solicitation.*

4. **Question:** How are TFCA Regional Funds Requested vs Matching Funds identified on the budget portion of the Alternative Fuel Infrastructure application?

***Answer:** Applicants are required to provide a project budget, broken down by major cost categories (e.g. capital, labor, permitting, consulting fee costs) that details each line item cost that would be paid for using TFCA Regional Funds and matching funds from non-TFCA sources. Project sponsors must be able to provide matching funds from non-TFCA sources of a minimum of 75% of total project cost. Applicants must submit documentation in the form of resolutions, adopted, budgets, letters of funding commitment, contracts, etc. to show that matching funds have been secured and are available for use in the proposed project.*

See the TFCA Grant Application and Guidance document for additional information regarding eligible TFCA project costs.

5. **Question:** What is the minimum station operation requirement necessary for funding?

***Answer:** Each station must be operated and maintained for a minimum of three years and meet the minimum utilization requirement.*

6. **Question:** What if fuel is dispensed below what is stated in the application? How does it affect the project cost-effectiveness and funding amount?

***Answer:** Fuel dispensed below what is listed in the application may result in the underutilization of an approved project and this would lead to either repayment of part of funds awarded and/or an increase in the minimum operation requirement, e.g. extend project useful life to 4 years from 3 years.*

7. **Question:** Is there a project target for number of funded hydrogen vs CNG stations?

***Answer:** No, there is no set "target"; rather, the Air District will recommend funding for the most cost-effective projects whether they are hydrogen or compressed natural gas, or a combination of both.*

8. **Question:** Are CNG station upgrades that expend or add public access capability to existing CNG stations eligible for funding?

***Answer:** Yes, funding may be used for the purchase and installation of equipment for both new dispensing facilities and for upgrades and improvements to expand access to existing refueling stations.*

9. **Question:** What is the expected application and contract approval timing for completed Alternative Fuel Infrastructure applications?

***Answer:** The deadline for receiving the hard copy of the application is 4:00 PM on March 9, 2015. Air District staff will begin reviewing applications on March 10, 2015. All projects with a proposed grant award of over \$100,000 must be authorized by the District's Mobile Source Committee (MSC) and Board of*

Directors (BOD). Projects with proposed grant award over \$100,000 are tentatively scheduled to be sent for consideration to the MSC in April 2015 and the BOD in May 2015. If this timeline is followed, the Air District expects to be able to begin contracting in mid-June 2015. Applicants with highest scoring projects requesting less than \$100,000 may receive a proposed funding agreement as soon as late April.

10. **Question:** Can the Air District provide a copy of the contract language for potential Alternative Fuel Infrastructure projects?

Answer: No, we do not currently have a TFCA contract template available.

11. **Question:** Are equipment materials, storage, dispensing, compression, and permitting costs considered an eligible cost?

Answer: Yes, storage, dispensing, compression, and permitting costs relating to eligible installation and equipment costs identified in the TFCA Guidance and Policies are considered eligible costs.

12. **Question:** Are progress payments made for approved Alternative Fuel Infrastructure projects?

Answer: No, the Alternative Fuel Infrastructure Program does not allow progress payments. Payment will be made after all work has been completed and the station is open and in service. At that point, project sponsors may submit a payment request with documentation that all project costs have been incurred.

13. **Question:** What are the Alternative Fuel Infrastructure reporting requirements?

Answer: Project sponsors are required to submit semi-annual progress reports (before the station is placed into service), a Final Report (once the station is open and in-service), and annual monitoring progress reports (one for each of the three years the stations are required to be in service).

14. **Question:** Is there funding currently available for light-duty zero and partial-zero emission vehicles for fleets and heavy-duty zero-emission vehicles?

Answer: The Alternative Fuel Infrastructure Program does not provide grant funding for cost related to vehicles, nor may funds used to pay for vehicles be applied as matching funds.

Funding is currently available for light-duty zero and partial-zero emission vehicles owned or leased by public fleets through the [Public Agency PEV Rebate Program](#). We are currently working to develop a program that will open later this year that would also provide funding for privately owned light-duty zero and partial-zero emission vehicles for fleets and heavy-duty zero-emission vehicles.

15. **Question:** Are non-public entities eligible to apply for the Alternative Fuel Infrastructure Program?

Answer: Yes, non-public entities are eligible to apply.

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16. **Question:** Will this funding source be an annual call for projects? The Presidio Trust has a potential project, but we don't think we can get it started until 2016?

Answer: Although the TFCA program is an on-going funding source, decisions about funding allocations for the eligible project categories is made annually by the Air District's Board of Directors. For that reason, we do not know in advance which project types will be eligible for funding in the future. Please note that we are currently accepting public comments on draft policies and evaluation criteria for the FYE 2016 cycle. Please visit <http://www.baaqmd.gov/Divisions/Strategic-Incentives/Funding-Sources/TFCA/Regional-Fund.aspx> for more information.

17. **Question:** Whose board has to approve any grant request over \$100,000? The applicant's board or the BAAQMD's Board?

Answer: Projects requesting more than \$100,000 must receive approval from the Air District's Board of Directors. Applicants shall follow their specific organization's authorization procedures for grant application.

18. **Question:** I would like to know how to determine or calculate the fuel volume as required to determine the CE ratio.

Answer: Please see responses to Questions 1, 2, and 6.

19. **Question:** Are electric vehicle charging stations eligible?

Answer: No. Only hydrogen and CNG stations are eligible under this solicitation. However, we are currently working on developing a new solicitation that will open in early 2015 for electric vehicle charging stations. Please sign up for the TFCA Grants Mailing list here <http://www.surveymonkey.com/s/6MRPHLD> to receive grant opportunity updates.

20. **Question:** When will projects funded in this call have to be completed by?

Answer: For these projects, once a funding agreement is in place, stations must be installed and start operating (in service) within two years. Please note, that applicants who can demonstrate the ability to complete their project ahead of the two year deadline, to achieve verifiable emissions reductions sooner than others, will be scored higher.