

GRANT SOLICITATION

**Alternative and Renewable Fuel  
and  
Vehicle Technology Program**

**Solicitation Number  
PON-10-603**

**Subject Area:  
Advanced Medium- and Heavy-Duty  
Vehicle Technologies Pre-Commercial  
Demonstrations**

**APPLICATION PACKAGE**

August 19, 2011



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# GRANT SOLICITATION AND APPLICATION PACKAGE

## Alternative and Renewable Fuels and Vehicle Technology Program

**Subject Area:**        **Advanced Medium- and Heavy-Duty Vehicle Technologies  
Pre-Commercial Demonstrations**

1.    **Release Date:**        August 19, 2011
2.    **Application Due Date:**    October 7, 2011 by 4 p.m.
3.    **Purpose:**

This is a competitive block grant solicitation. The California Energy Commission (Energy Commission) is seeking applications from not for profit technology entities (see Section 5 Definitions) to administer, manage and coordinate demonstration projects for advanced, alternative technology medium- and heavy-duty vehicles for near commercial on- and off-road applications. Preference will be given to demonstration projects that focus on moving goods and people in California's air basins with the greatest need for reducing greenhouse gas and criteria emissions.

The purpose of this solicitation is to demonstrate and enhance market acceptance of near-term commercial applications of alternative technologies and alternative fueled vehicles, including transit buses, in California's commercial goods movement and transit sectors. Projects must show near term commercialization and production capabilities, reduce greenhouse gas (GHG) emissions, and reduce petroleum use.

Research projects are not eligible for funding under this solicitation.

4.    **Availability of Solicitation Documents and Information:**

This solicitation and all supporting documents and forms can be found at [\[http://www.energy.ca.gov/contracts/index.html\]](http://www.energy.ca.gov/contracts/index.html) under "Current Solicitations." Interested parties may also sign on to the electronic mailing list on this webpage to be notified of any changes to this solicitation. For those parties without Internet access, copies of this solicitation can be obtained by contacting:

California Energy Commission  
Grants and Loans Office  
1516 Ninth Street, MS-1  
Sacramento, CA 95814  
Telephone: (916) 654-5125

Interested parties may also request to be added to the mailing notification list to receive changes made to this solicitation. Please reference PON-10-603.

## **5. Background:**

Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007), created the Alternative and Renewable Fuel and Vehicle Technology Program. The statute, subsequently amended by AB 109 (Núñez, Chapter 313, Statutes of 2008), authorizes the Energy Commission to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state's climate change policies. The Energy Commission has an annual program budget of approximately \$100 million and provides financial support for projects that:

- Develop and improve alternative and renewable low-carbon fuels;
- Optimize alternative and renewable fuels for existing and developing engine technologies;
- Produce alternative and renewable low-carbon fuels in California;
- Decrease, on a full-fuel-cycle basis, the overall impact and carbon footprint of alternative and renewable fuels and increase sustainability;
- Expand fuel infrastructure, fueling stations, and equipment;
- Improve light-, medium-, and heavy-duty vehicle technologies;
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets;
- Expand infrastructure connected with existing fleets, public transit, and transportation corridors; and
- Establish workforce training programs, conduct public education and promotion, and create technology centers.

The statute requires the Energy Commission to adopt and update annually an investment plan to determine funding priorities and opportunities and describe how program funding will be used to complement other public and private investments. The Energy Commission adopted its most recent investment plan on August 11, 2010. A link to the *2010-2011 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program* (CEC-600-2010-001-CMF) can be found at <http://www.energy.ca.gov/2010publications/CEC-600-2010-001/CEC-600-2010-001-CMF.PDF>. The 2011-2012 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program is currently under development. Proceedings on this plan can be found at <http://www.energy.ca.gov/2010-ALT-1/documents/index.html>.

## **6. Definitions:**

For the purpose of this solicitation these terms shall be defined as follows:

**Alternative Fuel:** Electric, compressed natural gas, liquefied natural gas, liquefied propane gas, E-85, and hydrogen.

**Alternative fueled vehicles:** Battery-electric, hybrid-electric, other hybrid power storage and/or hybrid drive systems, liquefied propane gas, compressed natural gas, liquefied natural gas, E-85, or hydrogen powered vehicles.

**Application:** An application is the full suite of projects proposed under this solicitation by a single entity.

**Deployment Project:** A project proposing to deploy vehicles using an advanced vehicle technology that is commercially available or a project proposing to deploy more than five vehicles of the same vocation using the same technology.

**Not for Profit Technology Entity:** A nonprofit corporation that has filed and is in good standing with the Secretary of State, and that has experience with advanced vehicle technologies.

**Pre-Commercial Demonstration:** On- or off-road demonstration of a new vehicle technology that is assembled, tested, and ready for operation in California, to prove its technical or market viability prior to commercial vehicle production launch. Production launch means after first commercial sales have occurred. A demonstration assesses vehicle performance, fuel savings, petroleum reduction, and/or emission reduction benefits to justify future vehicle acquisitions.

**Project:** A project is a single pre-commercial advanced vehicle technology demonstration with a unique project team, tasks, deliverables, budget, and schedule. Multiple vehicles may be demonstrated in different regions of the state and still be considered a project.

**Prototype:** A fully functional and operational alternative fuel demonstration vehicle, or model of the advanced technology fully integrated into the demonstration vehicle, on which commercial production copies will be based. Prototype can be an advanced technology in a new configuration or a commercial technology integrated into a hybrid system.

**Research:** The careful, systematic, and reasonably thorough study and investigation in a particular field of knowledge, for the purpose of discovering or establishing facts or principles and developing a product or process.

## 7. Eligible Applications and Projects:

Each application must include multiple projects in air basins with the greatest need for reducing criteria emissions. Each application may include multiple types of vehicle technologies.

Each project must have a fully developed and operational prototype of the vehicle technology to be demonstrated, that is not yet ready for commercial sale. To be eligible under this solicitation:

- Projects must be demonstrated in California in at least one or more of the following air basins:
  - Mojave Desert Air Basin
  - San Joaquin Valley Air Basin
  - San Francisco Bay Area Air Basin
  - South Coast Air Basin
- Projects must demonstrate either:
  - On-road, alternative fuel powered and/or hybrid vehicles with a 10,001 gross vehicle weight rating (GVWR) or greater, or
  - Off-road alternative fuel powered vehicles with an engine rating of 50 horsepower or greater and high fuel use (Must show minimum use of 500 gasoline or diesel gallons equivalent per year.)
- Projects must have an existing vehicle or engine manufacturer, at a minimum, as a partner to the demonstration project.
- Project must have a client partner for whom the vehicle's market application and duty cycle are being tested, such as a port, utility, fleet owner, or company selling or distributing product.

Only pre-commercial demonstration and testing of prototype projects are eligible.

The following project types **ARE NOT** eligible for funding under this solicitation:

- Paper studies (e.g., feasibility studies)
- Surveys
- Research
- Deployment
- Prototype testing to meet certification protocol
- Fueling infrastructure

Preference will be given to projects for goods movement corridors or transit districts, for projects in regions with poor air quality or which are identified as goods movement corridors in the U.S. Environmental Agency's Clean Air Technology Initiative (<http://www.epa.gov/region9/cleantech/pdfs/workplan.pdf>).

Teaming between not for profit technology entities, private companies, and air districts is strongly encouraged. Preference will be given to Applications and to projects that demonstrate a clear partnership with one or more of the following air districts: Bay Area Air Quality Management District, Mojave Desert Air Quality

Management District, San Joaquin Valley Air Pollution Control District, South Coast Air Quality Management District.

## **8. Eligible Applicants:**

This solicitation is open to not for profit technology entities applying to administer, manage, and coordinate vehicle demonstration projects.

To be eligible, Applicants must have a business presence in California. All private entities are required to register and be in good standing with the California Secretary of State to enter into an agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the proposed project(s) (should the application be successful). For more information, contact the Secretary of State's Office via its website at [www.sos.ca.gov](http://www.sos.ca.gov). To receive payment, private entities must also obtain a federal Employer Identification Number from the Internal Revenue Service ([www.irs.gov](http://www.irs.gov)) if they do not already have one.

## **9. Funding Information:**

The maximum funding available for this solicitation is \$8,940,000. The Commission may add \$8,000,000 from the 2011-2012 Investment Plan, for a total of \$16,940,000. However, the Commission reserves the right to increase this amount up to \$26,940,000.

Applications should be submitted for the intended \$16,940,000:

- \$8,940,000 is available for battery electric or hybrid electric vehicle technology demonstration projects.
- \$8,000,000 may become available for alternative fueled vehicle technologies. Applicants may propose projects demonstrating alternative fueled vehicle technologies in anticipation of the additional funding. If the project is selected for an award, the award will be contingent upon approval of the additional funding.

The Energy Commission reserves the right to reduce an award to an amount deemed appropriate in the event the maximum funding available for this solicitation does not provide full funding for each of the top-scoring applications. In this event, the Grantee and the Energy Commission shall meet and reach agreement on a scope of work commensurate with the level of available funding.

Each project within the application will be scored individually. Only projects that receive passing scores will be eligible for funding.

There is no minimum funding amount per application. The Energy Commission plans to make up to three awards to entities with the highest score for projects benefitting the designated air basins. However, the Energy Commission will consider making more than three awards if the highest scoring entities are not awarded the full amount available.

A maximum of 5 percent of the total award may be used by the Applicant for administering this block grant.

#### **10. Match Funding Requirements:**

The balance of the project cost beyond the Energy Commission Cost Share is the Applicant's required match share. Each project must match Energy Commission funds with at least a 30% non-state cash or in-kind contribution. Projects having a greater percentage of the total project costs in non-state match funding will be scored higher. All match-funding must be committed and in place at the time the application is submitted to the Energy Commission. Applications must disclose the source and provide verification and documentation for the matching funds for each project.

Energy Commission funds will be released only if the required match percentages are expended. Match percentages will be reconciled quarterly.

#### **11. Payment of Prevailing Wages:**

Some projects under this solicitation might be considered public works pursuant to the California Labor Code. If the project is a public work, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular project is or is not a public work. If the project involves construction, alteration, demolition, installation, repair or maintenance work, it probably would be considered by DIR to be a public work. Examples of the activities that would probably lead DIR to find that the project involves public works include: cement work, site preparation such as grading, surveying, electrical work such as wiring, and carpentry work. Certain workers are entitled to prevailing wage, such as operating engineers, surveyors, carpenters, laborers, etc. However, other workers are not subject to State prevailing wage laws, such as design or pre-construction engineers or project superintendent who do not perform work on the projects.

Applicants must determine if the proposed project(s) involve(s) public works, and ensure that the project budget for labor reflects all prevailing wage requirements. The budget should indicate which job classifications are subject to prevailing wage.

In order to determine if the proposed project(s) involve(s) public works, please contact DIR as advised in Attachment J. If the Applicant is unsure whether the proposed project(s) involve(s) public works and has not received a determination from DIR that the project is not a public work, the Applicant is advised to prepare a budget assuming that prevailing wage laws apply.

If the proposed project is a public work, or is assumed to be a public work, the Applicant can contact DIR for a list of covered trades and the applicable prevailing wage. Any agreement resulting from this solicitation will include the requirements for a public works project, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the sample terms and conditions, the Special Condition regarding Prevailing Wage Compliance (Attachment H), and Prevailing Wage Compliance Certification Form (Attachment I).

For detailed information about prevailing wage and the process to determine if the proposed project(s) is a public work, see the Prevailing Wage Compliance Questions and Answers (Attachment J).

## **12. California Environmental Quality Act (CEQA):**

Projects awarded State funding are required to comply with the California Environmental Quality Act if their project meets the legal definition of "project" as defined in CEQA (Public Resources Code Section 21000 et seq.) A "project" is an action requiring a discretionary approval (such as a permit) from a local or state agency that has the potential to cause a direct physical change to the environment.

Demonstration of vehicles is typically not an action with the potential to affect the environment. However, if any part of the proposed vehicle demonstration project could qualify as a "project" under CEQA, applicants will be required to provide all required documentation to demonstrate CEQA compliance prior to award of the grant money. The Energy Commission must comply with its legal obligation under CEQA prior to advancing an application to the Business Meeting for Commission approval. The Energy Commission will not reimburse or count as match any costs associated with CEQA compliance.

If you believe CEQA compliance may be required, please begin the compliance work as soon as feasible so as not to delay a potential grant award. **Applicants are cautioned that failure to comply with CEQA within 3 months after the Notice of Proposed Award (NOPA) is posted may result in loss of the award.**

## **13. Selection of Projects and Award Process:**

The following process will be utilized to select and propose award(s) for funding:

- Applicants will be evaluated on ability to administer grants, and projects will be evaluated on technical merit.
- All applications will be screened for compliance with the Alternative and Renewable Fuel and Vehicle Technology Program Regulations and the Air Quality Guidelines for the Air Quality Improvement Program. (See section 15 C below entitled Project Narrative.) Applications that are not in compliance will be disqualified.
- All applications will be screened per the Screening Criteria in Attachment B.
- A Scoring Committee will score each project using the Technical Scoring Criteria in Attachment B.
- The Energy Commission may invite Applicants to a clarification interview regarding their applications. Applicants may appear in person at the Energy Commission or discuss the application by telephone. The Energy Commission will provide no reimbursement to any Applicant for the interview appearance.
- Each applicant must pass the applicant screening criteria and receive a minimum score of 70 percent on the applicant scoring criteria to pass and be considered for funding.
- Each project must pass the project screening criteria and receive a minimum score of 70 percent on the project scoring criteria to pass and be considered for funding. Projects that do not pass will not be considered part of the application. Projects that are proposed under an applicant that does not receive a minimum score of 70 percent will not be scored and will not be considered for funding.
- The application will be scored by averaging the scores of passing projects and adding that score to the Applicant score to arrive at a score for the application. Applications will be ranked according to their overall score.
- The Energy Commission reserves the right to determine the number of final applications it will fund and, for each winning application, to negotiate with the Applicant: the final project scope, any additional special terms and conditions, and the level of funding received pursuant to this solicitation.
- The results of the Energy Commission's decision of proposed funding level, the rank order of proposers, and the amount of each proposed award will be released through a Notice of Proposed Awards (NOPA).
- Applicants proposed for an award will be asked to attend a pre-award briefing to determine the pathway and timeline for CEQA compliance, as necessary.
- Unsuccessful Applicants may request a debriefing after the release of the NOPA. A request for debriefing must be received no later than 30 days after the NOPA is released.
- Applicants proposed for an award pursuant to this solicitation will be required to work with Energy Commission staff to refine a detailed set of award documents, including but not limited to: a master Scope of Work (Attachment

D), a schedule of products and due dates (Attachment E), and application budget and detailed project budget forms (Attachment G).

- Upon receiving the required documents, the Energy Commission will prepare a Grant Agreement, including applicable Terms and Conditions<sup>1</sup> and any additional terms and conditions, and send it to the grant recipient for review, approval, and signature.
- The Grant Agreement will be scheduled and heard at an Energy Commission Business Meeting for approval.
- Once all approvals are in place, the Energy Commission will fully execute the Grant Agreement. Recipients are approved to begin the project only after the date of the full and final execution of the Grant Agreement.

**14. Schedule of Application and Award Process:**

Event	Date
Release of solicitation	August 19, 2011
Pre-Application Workshop	September 6, 2011 10:00 am
Deadline to submit questions	September 7, , 2011 no later than 4 pm
Posting of answers to questions received at the application workshop, via US mail or email	September 12, 2011
Deadline to submit applications	October 7, 2011 no later than 4pm
Post Notice of Proposed Awards (estimated)	December 2011
Approval of awards at Energy Commission Business Meeting (estimated)	March 2012
Anticipated date for work to begin	2 weeks after approval of awards

**15. Pre-Application Workshop:**

A pre-application workshop will be held through in-person participation, WebEx, and conference call on the date stated in Section 14. Participation is optional. Please call: Aida Escala at (916) 654-4726, or refer to the Energy Commission's website at: <http://www.energy.ca.gov/contracts/index.html> to confirm the date and time.

**See Section 14 - Schedule of Applications and Award Process.**  
California Energy Commission

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<sup>1</sup> Samples of the required detailed award documents and the Grant Terms and Conditions can be found at [<http://www.energy.ca.gov/contracts/>] as part of this solicitation package. However, please note that the Energy Commission reserves the right to modify the award documents and/or the Grant Terms and Conditions prior to executing Grant Agreements.

Hearing Room B, First Floor  
1516 Ninth Street  
Sacramento, California 95814

**Presentations and audio from the meeting will be broadcast via our WebEx web conferencing system. To join the WebEx, the Energy Commission's on-line meeting service, please use the following instructions:**

**Computer Logon with a Direct Phone Number:**

- Please go to <https://energy.webex.com> and enter the unique meeting number **926 423 772**.
- When prompted, enter your information and the following meeting password: **meeting@10**.
- After you login, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

**Computer Logon for Callers with an Extension Phone Number, etc.:**

- Please go to <https://energy.webex.com> and enter the unique meeting number **926 423 772**.
- When prompted, enter your information and the following meeting password: **meeting@10**.
- After you login, a prompt will ask for your phone number. **CLICK CANCEL**.
- Instead call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is listed in the top left area of your screen after you login. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

**Telephone Only (No Computer Access):**

- Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from <https://energy.webex.com/energy/globalcallin.php>.
- If you have difficulty joining the meeting, please call the WebEx Technical Support number at 1-866-229-3239. Please be aware that the meeting's WebEx audio and on screen activity may be recorded.

**Conference Call:**

To participate in the meeting by phone, please call (866) 469-3239 by 10:00 a.m. Passcode: **926 423 772**. Call Leader: Pilar Magaña

## 16. Application Requirements:

### All Applications must adhere to the following requirements:

- Limit each project in the Application to a maximum of 20 pages total (excluding Administrative task pages). Resumes and other supporting documentation may be included as appendices and do not count toward the 20-page limit.
- Use a standard 12-point font and 1-inch or larger page margins and number the pages.
- All Applicants must provide hard copies of one (1) original and three (3) copies of the application and a CD or flash drive containing all of the documents related to the application. **Scope of Work must be in MS Word, and the Product Schedule and Budget must be in MS Excel.**

### All Applications must contain the following information:

#### A. Application Cover Page

Applicants must include a complete and signed Application Cover Page shown in Attachment A-1. **The application must include an original Cover Page signed by an authorized representative of the Applicant's organization.**

The cover page shall identify a team lead or project manager, who will be the one individual responsible for interacting with the Energy Commission Grant Manager on all issues relating to the overall project and coordinating all aspects of work under the project.

#### B. Administrative Team Overview

The maximum length of the Administrative Team Overview is five (5) pages. The Administrative Team must include, at a minimum, a description of the team, key personnel, experience with vehicle demonstrations, experience administering and managing grants, and experience working with government agencies. The Applicant must address the Application Technical Scoring Criteria in Attachment B.

#### C. Budget

Applicants must include a Budget Summary and Detailed Budget for the Application. The Application Budget should account for the Applicant's costs, not to exceed 5 percent of the total funding requested from the Energy Commission. These are costs associated with management of the proposed projects. List the individual projects under the Subcontracts category.

Applicants must also include a Budget Summary and a Detailed Budget for each project proposed under the Application. See Budget section under Project Submittal Requirements (Section 17) for more information.

Instructions for completing the Budget forms are included in Attachment F. **Electronic files for the Budget must be in MS Excel and conform to the template without alteration of categories.** All project expenditures (match share and reimbursable) must be expended within the approved term of the funding agreement. The requirements for match share funding are included in Section 10 of this solicitation.

The Budget should allow for the expenses of a Kick-off Meeting, at least two Critical Project Review meetings, and a Final meeting. It is anticipated that meetings will be conducted at the Energy Commission located in Sacramento, CA.

The Budget should allow for the preparation and submission of monthly progress reports (2-4 pages each) for each project during the approved term of the agreement, Annual Reports, and a Final Report. Instructions for preparing the Annual Reports and Final Report will be provided to successful Applicants.

For any known subcontracts (other than projects) included in the budget, including agreements with project partners, the Applicant shall provide a detailed budget breakdown of subcontractor costs. If the subcontractor is unknown, the Applicant shall include estimated costs with as much detail as is reasonably available. Applicants will be required to finalize subcontractor budgets prior to the subcontractor beginning work on a task in the grant agreement.

The Budget must reflect estimates for **actual** costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.

The Budget must **NOT** include any profit from the proposed project, either as a reimbursed item or as match share. In accordance with the Grant Terms and Conditions, no profit is allowed under a grant budget. Please review the Grant Terms and Conditions for additional restrictions and requirements.

- D. Proof of not for profit status (certified copy of articles of incorporation, copy of previous year's tax filing indicating nonprofit status, or other documentation, as appropriate).

- E. Non-profit organizations proposed for funding under this solicitation may be required to provide an authorizing resolution approved by their governing authority to enter into an Agreement with the Energy Commission.

## 17. Project Submittal Requirements

### All Projects must include the following:

#### A. Project Cover Page

Projects must include a complete and signed Project Cover Page shown in Attachment A-2. **The Project Cover Page must be signed by an authorized representative of the project's organization.** The Project Cover Page includes a certification that the organization has an operational prototype vehicle of the technology to be demonstrated at the time of application. The Project Cover Page shall identify a team lead or project manager, who will be the one individual responsible for interacting with the Applicant on all issues relating to the overall project and coordinating all aspects of work under the project.

#### B. Project Narrative

The Project Narrative must include a detailed description of the proposed project, including the entity that will own and operate the proposed project, operational goals and objectives of the proposed project, and an explanation of how the proposed project:

- Complements, and does not interfere with, efforts to achieve and maintain federal and state ambient air quality standards and to reduce toxic air contaminant emissions; and maintains or improves upon emission reductions and air quality benefits in the State Implementation Plan for Ozone, California, Phase 2 Reformulated Gasoline standards, and diesel fuel regulations. These requirements are described in the *FINAL REGULATION ORDER: Regulation for the AB 118 Air Quality Guidelines for the Air Quality Improvement Program and the Alternative and Renewable Fuel and Vehicle Technology Program* that can be found at <http://www.arb.ca.gov/regact/2008/aqipfuels08/oalfinreg.pdf>.
- Complies with the prohibition against funding projects that are required to be undertaken by state or federal law, district rules or regulations, memoranda of understanding with a governmental entity, or legally binding agreements or documents. This prohibition is described in section 3103 of the *Final Regulation Language, Alternative and Renewable Fuels and Vehicle Technologies Program* that can be found at: <http://www.energy.ca.gov/2008publications/CEC-600-2008-013/CEC-600-2008-013-F.PDF>

The Project Narrative also must include a discussion of how the proposed project addresses each of the project technical scoring criteria as described in Attachment B. Provide sufficient detail so that reviewers will be able to evaluate the project against each of the project technical scoring criteria.

#### C. Letters of Support/Commitment

1. A letter from the vehicle or engine manufacturer that describes their participation in the project and expressed interest to develop the market for the demonstrated technology.
2. Letter(s) from funding partners that include their funding amount commitment for the specific demonstration project. The letter should distinguish the levels of in-kind and cash match.
3. Letter(s) from the client partner(s) for whom the vehicle's market application and duty cycle are being tested, such as a port, utility, fleet owner, or company selling or distributing product.

#### D. Budget

Each project must complete a Budget Summary and Detailed Budget form (see Attachment G). Instructions for completing the Budget forms are included in Attachment F. **Electronic files for the Budget must be in MS Excel.** All project expenditures (match share and reimbursable) must be expended within the approved term of the funding agreement. The requirements for match share funding are included in Section 10 of this solicitation.

**Projects should also budget for permits, insurance, etc., and limit the funding source to match funds.**

The Budget should allow for the preparation and submission of monthly progress reports (2-4 pages each) to the Applicant during the approved term of the agreement, Annual Reports, and a Final Report. Instructions for preparing the monthly progress reports, Annual Reports and Final Report will be provided to successful Applicants.

For any known subcontracts included in the budget, including agreements with project partners, the project shall provide a detailed budget breakdown of subcontractor costs. If the subcontractor is unknown, the project shall include estimated costs with as much detail as is reasonably available. Projects will be required to finalize subcontractor budgets prior to the subcontractor beginning work on a task in the grant agreement.

The purchase of equipment (items with a unit cost greater than \$5,000 and a useful life of greater than one year) with Energy Commission funds will require disposition of purchased equipment at the end of the project. Typically, recipients of grant funds may continue to utilize equipment purchased with Energy Commission funds as long as the use is consistent with the intent of the original Grant Agreement. *There are no disposition requirements for equipment purchased with match share funding.*

#### E. Technical Task List and Schedule of Products

Each project must include a technical task list that details the project organization's responsibilities, products, and delivery schedule. If the project is proposed for award, the technical task list and schedule of products will be integrated into a master Scope of Work and Schedule of Products. Preference will be given to projects that can be completed successfully within 18 to 24 months of the start date.

The Scope of Work template is available (Attachment C) as a reference for the format and level of detail required for each technical task.

#### F. CEQA Compliance Form

Each project must complete Attachment L. The Energy Commission needs this information to assist its own determination under the California Environmental Quality Act (Pub. Resource Code Section 21000 et seq.).

#### G. Local Health Impacts Information (if applicable)

Each project must complete Attachment N if the project will require a discretionary permit. The Energy Commission needs this information to comply with the Air Quality Guidelines (California Code of Regulations, Title 13, Chapter 8.1, Section 2343(c)(6)(A)).

### 18. Confidential Information:

#### Treatment of Confidential Information

The entire evaluation process from receipt of applications to the posting of the Notice of Proposed Award is confidential. *However*, applications and all submittals will become public records after the Energy Commission completes the evaluation and/or scoring process and the Notice of Proposed Awards is posted, or the Solicitation is cancelled.

After the posting of the Notice of Proposed Awards, confidential materials submitted by unsuccessful Applicants or Projects will be destroyed and/or returned. The Energy Commission will not retain confidential submittals from unsuccessful Applicants or Projects.

Confidential materials submitted by successful Applicants and Projects will be kept confidential, pending a confidentiality determination pursuant to Title 20, California Code of Regulations, sections 2505 as initiated by the Applicant. These confidentiality specifications and procedures are issued in accordance with Title 20, California Code of Regulations, Section 2501 et seq. Successful Applicants should contact the Energy Commission for information on how to initiate these procedures.

### **Information Considered Confidential**

Consistent with its confidentiality regulations, and the California Public Records Act (Government Code Section 6250 et. seq), the Energy Commission generally will grant confidential treatment for information that is essential to understanding the application, clarifies the status of technology prior to Agreement work, or will be an Agreement deliverable that is information typically held in confidence. Examples include:

- Information that is patent pending (until a patent has been approved), including patent application numbers
- Technical trade secrets (e.g., detailed technical drawings)
- Marketing/business trade secrets (e.g., energy use data for an individual commercial or industrial facility, pending strategic partnerships with manufacturers)
- Economic/financial trade secrets (e.g., income tax records).

Conversely, the Energy Commission will **not** allow confidential treatment for certain other types of information. Applicants are cautioned against seeking confidentiality for the following types of information:

- Project descriptions/scope of work (including task descriptions, schedule of deliverables and due dates).
- Proposed project budgets (state share and match fund), including labor rates, overhead, direct labor, other direct costs, and the like.
- Names of employees, subcontractors and match fund participants.
- Test plans and reports.
- Progress reports.
- Annual reports.
- Final reports.

The Energy Commission may allow technical and business trade secrets to be reported in separate confidential addenda to test reports and final reports.

If an Applicant needs to submit any confidential information to support an application, clearly mark the documents as "CONFIDENTIAL" and submit it as a separately bound Volume 2 with your application.

If a Project needs to submit any confidential information to support the project, clearly mark the documents as "CONFIDENTIAL," identify the Application, Applicant, and solicitation number under which the project is being proposed, and submit the documents as a separately bound volume directly to the Energy Commission. Include a cover page identifying the project organization and project name. Do not submit confidential information through the Applicant.

#### **19. Application Submission Requirements:**

One (1) original and three (3) copies of the application and a CD or flash drive containing all of the documents related to the application **must be received no later than October 7, 2011, by 4 p.m.** Applications may be mailed or hand delivered to:

California Energy Commission  
Grants and Loans Office  
Attn: PON-10-603 MD-HD Pre-Commercial Demonstration  
1516 Ninth Street, MS-1  
Sacramento, CA 95814

Postmark dates of mailing, electronic mail (E-mail), and facsimile (Fax) transmissions are not acceptable, in whole or in part, under any circumstance.

Note: For all hand delivered proposals, Security contacts G&L and we issue a receipt for proof of on-time delivery. We use the clock at the Security Desk at the Energy Commission building entrance for all last minute deliveries. 20 minutes prior to the deadline, a representative from the Grants and Loans office will be at that security desk location to accept on-time deliveries.

#### **20. Grounds for Rejection:**

##### **Applications will be rejected and not considered for funding if:**

- The application is not received by the Energy Commission's Grants and Loans Office by the specified due date and time; or
- The Cover Page(s) is not signed by the Applicant's authorized representative.

##### **Applications may be rejected and not considered for funding if:**

- Any section under “Application Requirements” (Section 16) is missing or incomplete; OR
- Budget forms are incomplete or missing.

**Projects may be rejected and not considered for funding if:**

- The Project Cover Page is not signed by the project’s authorized representative.
- Any section under “Project Submittal Requirements” (Section 17) is missing or incomplete; OR
- Budget forms are incomplete or missing.

**21. Cancellation or Amendment of the Solicitation:**

It is the policy of the Energy Commission not to solicit applications unless there is a bona fide intention to award an Agreement. The Energy Commission reserves the right to do any of the following:

- Cancel this solicitation;
- Revise the amount of funds available under this solicitation;
- Amend or revise this solicitation as needed; or
- Reject any or all applications or projects received in response to this solicitation.

**22. Questions:**

Questions about this solicitation must be submitted in writing or via e-mail to:

California Energy Commission  
Grants and Loans Office  
Attn: PON-10-603 MD-HD Pre-Commercial Demonstration  
1516 Ninth Street, MS-1  
Sacramento, CA 95814  
Email: [dnichols@energy.state.ca.us](mailto:dnichols@energy.state.ca.us) / Fax (916) 654-4076

Questions submitted to the Energy Commission at the application workshop, or in writing or via email prior to the deadline specified in Section 14 of this solicitation, will be answered and posted on the Energy Commission’s website at <http://www.energy.ca.gov/contracts> as part of this solicitation package. The person and organization submitting a question will not be identified.

**23. Attachments:**

- A. Cover Pages
  - A-1 Application Cover Page
  - A-2 Project Cover Page
- B. Application Scoring Criteria
- C. Instructions for the Scope of Work
- D. Scope of Work Template
- E. Schedule of Products and Due Dates
- F. Instructions for Budget Forms and Budget Forms
- G. Prevailing Wage Special Condition Template
- H. Prevailing Wage Compliance Certificate
- I. Information on Compliance with Prevailing Wage
- J. Terms and Conditions with Payment Request Form
- K. California Environmental Quality Act (CEQA) Compliance Form
- L. Invoicing Instructions for Cost Reimbursement Agreements
- M. Local Health Impacts Information Form
- N. Sample Resolution

## **ATTACHMENTS A-1 AND A-2**

### **Application Cover Page and Project Cover Page**

The Application Cover Page and Project Cover Page are posted as separate Microsoft Word documents. Please follow the format provided. The templates can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.

# ATTACHMENT B

## Application Scoring Criteria

### Applicant Screening Criteria (Pass/Fail):

All applications will be screened with the below Pass/Fail criteria. Applications that fail any of the Pass/Fail criteria below will not be further evaluated and will receive a score of “0”.

1. Applicant provides proof of not for profit status.
2. Applicant conforms to the *Eligible Applicants* requirements.

### Applicant Technical Scoring Criteria:

Applications passing the above screening criteria will be evaluated and scored based on the Technical Criteria below. This is a competitive solicitation. It is important that Applicants provide sufficient detail to properly evaluate the Application.

Please respond directly to each Technical Criterion, using the criterion title as the heading for each response. Each Technical Criterion will be scored on a basis of 0 to 10 points and then multiplied by the corresponding weight factor. The resulting scores for each criterion will be summed and divided by the maximum possible points to obtain a percentage. A minimum of 70 percent will be required to be eligible for funding.

Score	Response to the Technical Criterion
0	Not responsive
1 – 2	Response is minimal
3 – 4	Responds only marginally to relevant considerations
5 – 6	Addresses most criteria but provides insufficient response
7 – 8	Responds satisfactorily to all relevant considerations
9	Responds completely, accurately, and convincingly to all relevant considerations
10	Response is complete, specific and superior, both quantitatively and qualitatively

1. Application Team

Weight 3  
Maximum Points 30

Describe the application team, key personnel, experience with vehicle technology demonstrations, experience working with government agencies on grant projects, and years of financial management experience for multiple

entities. To receive a passing score for this criterion, the applicant must have a minimum of three years of applicable experience (i.e., partnership with original equipment manufacturers, fleet managers, government agencies, vehicle demonstrations, etc.).

2. Approach

Weight 2  
Maximum Points 20

Describe how the Application Team will approach the Administrative Tasks in this Agreement. Explain steps that the Applicant will take to quickly execute subcontracts for Projects. Describe how the Applicants will respond to unanticipated delays and the steps it will take to resolve issues that arise. Describe how the Applicant will ensure efficient communications about the Agreement with the Energy Commission. Include flow charts and organization charts as appropriate.

**Project Screening Criteria (Pass/Fail):**

All projects proposed under an applicant that receives a minimum score of 70 percent will be screened with the below Pass/Fail criteria. Projects that fail any one of the Pass/Fail criteria below will not be further evaluated and will receive a score of “0”.

1. Proposed project conforms to the *Eligible Projects*.
2. Project includes letters from investors and/or partners that document 30 percent or more match share to the incremental alternative fuel or demonstration cost, i.e. project demonstrates cost share beyond the nominal business expenses. The required match must be budgeted, verified and documented.
3. Proposed project is not classified as research. The project must have the proposed vehicle/platform built and ready for pre-commercial demonstration.
4. Project organization certifies that the prototype vehicle is built and operational at the time of application.
5. The proposed technology is not commercially available.
6. Project includes a letter from the partnering vehicle or engine manufacturer for each project that describes the partnership and expressed interest to develop the market for the demonstrated technology.
7. Project includes a letter from the client partner for whom the market application is being tested.

**Project Technical Scoring Criteria**

Projects passing the above Project Screening Criteria will be evaluated individually and scored based on the technical scoring criteria below. This is a competitive solicitation. It is important that projects provide sufficient detail to properly evaluate the project. Projects that receive a score of 70 percent or higher will be averaged and added to the Applicant score to arrive at a score for the Application.

Please respond directly to each technical criterion, using the criterion title as the heading for each response. Each technical criterion will be scored on a basis of 0 to 10 points and then multiplied by the corresponding weight factor. The resulting scores for each criterion will be summed and divided by the maximum possible points to obtain a percentage. A minimum of 70 percent will be required to be eligible for funding.

Score	Response to the Technical Criterion
0	Not responsive
1 – 2	Response is minimal
3 – 4	Responds only marginally to relevant considerations
5 – 6	Addresses most criteria but provides insufficient response
7 – 8	Responds satisfactorily to all relevant considerations
9	Responds completely, accurately, and convincingly to all relevant considerations
10	Response is complete, specific and superior, both quantitatively and qualitatively

1. Project Team

Weight 2  
Maximum Points 20

Describe the project team, including the team lead, and why they are well suited to successfully complete the proposed project(s). Explain the functions each team member will perform, their qualifications and related technical and business experience, and the match of skills and capabilities to each task. Resumes (2 pages maximum each) are encouraged for key project participants. Describe primary project partners and include letters of support from partners to document participation in the project.

2. Market Transformation & Viability

Weight 6  
Maximum Points 60

Part A

Describe how the pre-commercial demonstration project and its resulting information will lead to commercial sales. Include market survey results, discussion of other targeted markets and strategy to penetrate the targeted market, existing users, existing competition, suppliers, use throughput, geographical need, anticipated future demand, location for production, and production estimates. Describe how your project will yield market acceptance of the technology and accelerate the availability of the technology to the commercial market.

*NOTE: Confidential information can be accepted. Please see section 18 of the Application Manual for details.*

## Part B

Using the materials cost (excluding labor, profit, etc.) contained within this proposed project, analyze how each technology will be market viable by 2015. A technology's market viability will be evaluated based on its payback potential with the following assumptions:

- GHG reduction market value of \$50 per metric ton
- \$5 per gallon gasoline, diesel & propane – (gasoline gallon equivalent),
- Natural gas \$1 less than gasoline or diesel gallon equivalent,
- Electricity \$0.15 per kilowatt hour
- Hydrogen \$8 per kilogram.

For purposes of this section, please calculate the payback for this vehicle using the following formula:

Incremental vehicle purchase price divided by the annual fuel cost savings  
Please show your work and assumptions (i.e., annual mileage, etc.).

If the proposed technology cannot show a payback by 2015 using the above assumptions, then demonstrate and document how the materials costs contained within this project can be reduced over the next five years.

### 3. Implementation

Weight 3

Maximum Points 30

Describe in the Technical Task List, Schedule, and Budget Summary how the proposed project will be completed in an effective and efficient manner. These documents must be consistent with each other and with the technology demonstration as described in the narrative. Clearly and logically discuss the schedule, sequence of tasks, and appropriate objectives of the proposed project. The Technical Task List must include task(s) and deliverable(s) to test, validate, and report on emission reductions and other benefits resulting from the demonstrated technology. Higher scores will be given to projects that can be completed successfully within 18 to 24 months of the start date.

Discuss all financing and contractual relationships needed to complete and operate the proposed project and their current status.

Describe the plan to achieve California Air Resources Board engine/vehicle certification upon successful demonstration.

### 4. Budget

Weight 4

Maximum Points 40

A Budget Detail Sheet must be completed for the project to receive a passing score for this criterion. Provide details (name and business location, type of

entity, amount of funding, etc.) for each funding partner. Itemize match contributions as cash or in-kind.

Match score:

7 Points - 30-39.9% applicant's match

8 Points - 40-49.9% applicant's match

9 Points - 50-59.9% applicant's match

10 Points - 60%+ applicant's match

Explain how the project team will demonstrate cost efficiencies, minimize costs for the project, and expend state funds in a responsible manner.

Projects demonstrating reduced administrative costs of less than 5 percent may receive additional points for this criterion.

5. Economic Benefits

Weight 5

Maximum Points 50

Describe how the proposed project will expand business opportunities for or lead to the creation of California-based technology firms, jobs, and businesses. Quantify and document the jobs that will be created and retained by the proposed project, whether those jobs are permanent or temporary, and details on job types. Quantify the projected local and state tax revenue that will be generated by the proposed project. Quantify the number of jobs today and by 2015.

California Jobs

Jobs Created / Retained by Demo	Jobs Created / Retained by 2015
x	xx

For this program, quantify the amount of funds expended out-of-state and in-state. Projects with the greatest in-state economic benefits will receive higher scores for this criterion.

Project Funds Spent out of California	Project Funds Spent in California
Xx	Yy
%	%

6. Sustainability

Weight 3  
Maximum Points 30

Calculate the expected petroleum and GHG reduction expected from this technology for California for 2015 to 2020. GHG reductions will be estimated assuming a gallon of diesel has 128,000 BTUs/gallon and 12,880 grams GHG/gallon. For this criterion, petroleum reduction will be used as a surrogate for GHG benefits to avoid the myriad of potential GHG pathway uncertainties. Applicant should discuss if their technology poses a unique opportunity that would justify a non-typical GHG emission assumption.

Use the Exhibit 1 **California Historic Sales** chart as your guide to estimate the assumed annual new vehicle sales for the appropriate vehicle vocation(s).

Calculate the expected reductions for criteria emissions (NOX, CO, hydrocarbons, and particulate matter) from this technology for California for 2015 to 2020.

For the proposed vehicle technology, estimate the annual petroleum reduction per vehicle. Document the petroleum reduction assumptions, show the analytical calculations, and include the base vehicle assumptions.

**Project Preference Criteria:**

Preference points may be awarded to any projects passing the above Technical Criteria. These preference points will be applied after the project is evaluated and scored using the Technical Criteria and may raise the ranking of passing projects to a higher ranking.

1. Project provides documents that reflect customer commitments to purchase, or manufacturer commitments to adopt or market, the technology if successfully demonstrated. (Preference Points: 1)
2. Proposed technology demonstration is for a goods movement or transit application. Goods movement refers to the distribution of freight (including raw materials, parts, and finished consumer products) by all modes of transportation, including marine, air, rail, and truck. Goods movement facilities, also called freight facilities, include seaports, airports, and land ports of entry (border crossings), rail yards and rail lines, highways and high truck traffic roads, and warehouse and distribution centers. (Preference Points: 2)
3. Technology demonstration drive system uses an alternative fuel. See alternative fuel definition on page 4. (Preference Points: 1)
4. Proposed demonstration project is for a zero emission or near-zero emission technology that will be demonstrated primarily (70 percent of time or greater) in one of the following areas: 1) Along the I-710 corridor (between the San

Pedro ports and Highway 60), 2) Kern County, 3) Tulare County, and/or 4) San Bernardino County. (Preference Points: 1)

5. Proposed demonstration project includes a letter of support from one or more of the air districts within the project demonstration area. The letter must describe the air district's participation in the project, if any, a statement of agreement regarding the importance of the proposed demonstration, and expressed interest in the demonstration project outcomes. The letter should also include verifiable cash or in-kind match share commitments, if any. (Preference Points: 1)

**Total Application Score**

The application score will be calculated using the formula below. *N* represents the number of passing projects.

$$\text{Application Score \%} = 17 \left( \frac{\text{Applicant Score}}{50} \right) + 83 \left( \frac{\text{Sum of scores for passing projects}}{230n} \right)$$

# ATTACHMENT C

## Instructions for the Scope of Work

The Scope of Work Template contains the framework to use to complete the Scope of Work. The template has instructions in blue type within < > that are to be deleted as it is filled out. The following are additional instructions for the items in the Scope of Work. At the end of these instructions, there are examples of Technical Tasks to provide guidance in drafting your own. Note that the “Recipient” in the Scope of Work will be the funded Applicant, not an individual project.

### I. Technical Task List

Insert the Task numbers and Task names for the project. Put an "X" in the CPR column next to the Tasks that contain a Critical Project Review. Add additional rows as necessary.

### II. Key Name List

List key parties within the agreement as described below. See Terms and Conditions for more information regarding key parties within the agreement.

**Key Personnel** are employees or consultants who are critical to the outcome of the project and are being paid with Energy Commission funds. Key Personnel have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project. Since key personnel can come from various organizations working on the agreement, they should be written as follows to avoid confusion: “John Smith – Acme Company”

**Key Subcontractors** are contractors, subcontractors, or vendors who are critical to the outcome of the project and are being paid with Energy Commission funds. Key Subcontractors have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project.

**Key Partners** are participants in the Project who are not receiving Energy Commission funds and are not providing Match Funds but are integral to the outcome of the Project. Key Partners may be providing space, testing facilities, demonstration sites or may be a manufacturer or other implementer of the Project results. Individual key employees from the Key Partner organizations are listed under “Key Personnel.” “Key Partners” are company names.

### III. Glossary

Spell out each acronym used in the Scope of Work. Also include definitions of odd or unusual terms. Think about the document from the perspective of someone who does not work in the particular industry or discipline.

#### IV. Problem Statement

**Describe the problem that this activity and funding will address in one to two paragraphs maximum.**

Identify and discuss the principal barriers, key unresolved issues, and knowledge gaps that hinder the development and widespread use of the resource or the products of the proposed project in California. Barriers may be grouped under the following categories, or other categories that the Applicant deems appropriate:

- Scientific and technological – such as insufficient scientific understanding of relevant phenomena and processes, inadequate data acquisition technologies, low reliability, low power density, low energy density, lack of detailed engineering designs and design trade-off analyses, inadequate component development, high cost of fabrication techniques, insufficient field testing, or insufficient field demonstrations.
- Market – such as inadequate consumer knowledge or limited system supply and maintenance infrastructure.
- Institutional – such as regulatory hurdles (e.g., atmospheric emission limitations) or lack of adopted standards.
- Environmental – such as H<sub>2</sub>S emissions, excessive noise, or ground water contamination.
- Cost and financial hurdles

Explain why these barriers have not been addressed by the marketplace or by other institutions.

**Explain why the barriers should be addressed at this time. For example, place the proposed work into the context of the spectrum of barriers to widespread deployment and adoption.**

#### V. Goal of the Agreement

At the beginning of this section, complete the following sentence. Please be succinct.

The goal of this project is to ... *<Complete the sentence with a brief description of the goal(s) and how the goal(s) will be met. Goals can be technical, economic or social. The goal should be broad enough to encompass all of the projects in the Application. Please be brief, two to three sentences maximum.>*

## VI. Objectives of the Agreement

The objectives of this project are to ... *<Complete this sentence with the objectives, which are things that will be measurable or knowable at the end of **this** agreement.>*

List and describe technical or economic objectives, or desired conditions outside the project itself that will result from the success of each project in the Application. Specify the project to which the objective pertains..

## VII. Task 1.0 Administration

**The administrative tasks must be included in every agreement and the language does not change. Do NOT change anything in the administrative tasks.**

## VIII. Technical Tasks (Tasks 2 and up)

**This is the area in the Scope of Work where the technical work to be performed under this Agreement is set forth. The work effort should be divided into a series of logical, discrete and sequential tasks.**

**Each task represents a single demonstration project. Each task has the following components:**

- **Task Name**
- **The goal of this task is to...**
- **The Recipient shall:**
- **Products**

### A. The Goal

**The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>***

### B. The Recipient shall ...

List each individual **activity** with a separate bullet if there are more than two individual activities and begin each bullet with a verb to complete the sentence beginning with "The Recipient shall." Organize activities in the order in which they will occur. Use this section to describe the essential elements of the process you will use to complete the project. The contents of each product shall also be described in this section.

*[The technical tasks shown below are examples, which you may modify for use in your project. You may modify the tasks to fit your project, but please adhere to the patterns shown.]*

## **TASK 2 – PHEV BEVERAGE DELIVERY TRUCKS DEMONSTRATION**

### **TASK 2.1 – PREPARE A DEMONSTRATION PLAN**

The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>*

#### **The Recipient shall:**

- Prepare and submit the Demonstration Plan. This plan shall include, but is not limited to a description of the advanced technology to be demonstrated, identification and description of the site or area where the demonstration will take place, the number of hours of operation, the type of testing and monitoring to be performed, customer feedback mechanisms, statement of anticipated results from the demonstration, and the manner in which data will be validated, analyzed, and reported.

#### **Products:**

- Demonstration Plan

### **TASK 2.2 – IMPLEMENTATION OF DEMONSTRATION PLAN**

The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>*

#### **The Recipient shall:**

- Deliver the demonstration vehicles to the fleet partner(s)
- Submit monthly progress reports to summarize progress on project tasks, challenges, and successes, and costs.
- Run appropriate vehicle performance tests as described in the Demonstration Plan
- Complete customer feedback survey to gauge customer satisfaction and intent or commitment to purchase the demonstrated technology and provide results in a Customer Feedback Report.
- Collect and analyze data from the demonstration to comply with the reporting requirements listed in Task 2.3.
- Prepare and submit a CPR Report (add this Task if a CPR will be necessary for the demonstration project).

#### **Products:**

- Monthly progress reports
- Customer Feedback Report

## **TASK 2.3 – ANNUAL REPORT**

The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>*

### **The Recipient shall:**

- Compare petroleum baseline vehicle and proposed vehicle performance data, including the following:
  - Quantified benefits in fuel reduction
  - Quantified emission reductions
  - Vehicle duty cycles
- Provide market penetration scenarios and the assumptions for the scenarios, including the achievement of operational goals and objectives.
- Using the market penetration scenarios:
  - Estimate gasoline and/or diesel fuel displaced annually.
  - Explain how the proposed project will reduce applicable criteria air pollutants and air toxics (using the Energy Commission data collection templates) and lead to a decrease, on a life cycle basis, in emissions of water pollutants or any other substances known to damage human health or the environment project incorporated and achieved the sustainability goals.
  - Provide a quantified estimate of the project's carbon intensity values for life-cycle scale greenhouse gas emissions.
- Provide data on job creation, economic development, and increased state revenue
- Describe any energy efficiency measures used in the project or in the manufacturing process
- Provide additional data that may be requested by the Energy Commission during the term of this Agreement, as is reasonably available.

### **Products:**

- Task 2.3 Annual Report

### **C. Products:**

### **Product(s):**

- Demonstration Work Plan
- Annual Reports

Only the names of each product shall appear in the "Products" section. Use exactly the same name to identify a product (report, data set, project plan, etc.) in the activity and in the list of products.

Products incorporate the knowledge and understanding gained by performing the activities, and are submitted to the Energy Commission for review, comment and

approval. Products include, but are not limited to, written reports that describe methods, test plans, results of testing, analysis of data, conclusions, and recommendations for future study, workshop agendas and summaries, description and photographs of equipment/product developed, summaries of advisory group meetings, computer software with written instructions for data input and use of the software, if intended for public or Energy Commission use, and production prototypes. The summaries of the Products should be sufficiently detailed to be of use to stakeholders and other researchers. The level of detail should be sufficient for an observer to assess whether the project objectives and goals have been successfully met.

## **ATTACHMENT D**

### **Scope of Work Template**

The Scope of Work Template is posted as a separate Microsoft Word document. Please follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.

## **ATTACHMENT E**

### **Schedule of Products and Due Dates**

The Schedule of Products and Due Dates Template is posted as a separate Microsoft Excel document. Please follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.

# **ATTACHMENT F**

## **Budget Template and Instructions**

The Budget template and Instructions for this solicitation is a separate Microsoft Excel document. The template can be accessed at <http://www.energy.ca.gov/contracts/index.html> as part of this solicitation package.

# ATTACHMENT G

## Prevailing Wage Special Condition Template

### PUBLIC WORKS AND PAYMENT OF PREVAILING WAGE

#### A. Recipient/General Requirements

1. Recipient shall comply with state prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, for any “public works” (as that term is defined in the statutes) performed on the Project funded by this Agreement. For purpose of compliance with prevailing wage law, the Recipient shall comply with provisions applicable to an awarding body. Compliance with state prevailing wage law includes without limitation: payment of at least prevailing wage as applicable; overtime and working hour requirements; apprenticeship obligations; payroll recordkeeping requirements; and other obligations as required by law.
2. Recipient shall certify to the Energy Commission on each Payment Request Form, that prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and that the Recipient and all contractors complied with prevailing wage laws.
3. Prior to the release of any retained funds under this Agreement, the Recipient shall submit to the Energy Commission a certificate signed by the Recipient and all contractors performing public works activities stating that prevailing wages were paid as required by law. The required certificate follows these special conditions.

#### B. Flowdown Requirements

Recipient shall ensure that all agreements with its contractors to perform work related to this Project contain the following provisions:

1. Contractor shall comply with state prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720; and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, for all construction, alteration, demolition, installation, repair or maintenance work over \$1,000 performed under the contract. Contractor’s obligations under prevailing wage laws include without limitation: pay at least the applicable prevailing wage for public works activities performed on the Project; comply with overtime and working hour requirements; comply with apprenticeship obligations; comply with payroll recordkeeping requirements; and comply with other obligations as required by law.

2. Contractor shall ensure that the above requirements are included in all its contracts and any layer of subcontracts for activities for the Project.

# ATTACHMENT H

## Prevailing Wage Compliance Certificate

After the public works<sup>2</sup> activities funded by this Agreement are complete, Recipient must fill out and sign this certificate and obtain the signatures from all of its contractors and any layer of subcontractors involved in public works funded by this Agreement.

***This certificate must be completed and submitted to the Energy Commission Project Manager prior to the release of the retained funds under this Agreement.***

Recipient:

Energy Commission Agreement Number:

Date Public Works Completed:

Recipient hereby certifies as follows:

1. State prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, has been complied with for the “public works” (as that term is defined in the statutes) funded by this Agreement, including payment of at least prevailing wage as applicable; overtime and working hour requirements; apprenticeship obligations; payroll recordkeeping requirements; and other obligations as required by law.
2. All contracts and every layer of subcontracts involving public works funded by the above-referenced Agreement contained requirements that the contractor or subcontractor comply with prevailing wage law and pay prevailing wages in accordance with the requirements of the Labor Code.
3. The contractors and subcontractors have maintained labor records as required by the Labor Code and such records shall be made available upon request.
4. The undersigned Recipient acknowledges that disbursement of the retention by the California Energy Commission is expressly made in reliance upon the representations made in this certification.

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<sup>2</sup> Public works is defined in Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720.

**Recipient:**

Signature of Authorized Representative: \_\_\_\_\_

Printed/Typed Name:

Title:

Date:

Each contractor and subcontractor performing public works (e.g., construction, alteration, demolition, installation, repair or maintenance work) for the Project must sign below. Include additional pages if necessary.

Contractors and subcontractors hereby certify as follows:

1. The contract with the Recipient or the Recipient's contractor to perform work funded by the above-referenced Agreement contained requirements that the contractor and all its subcontractors comply with prevailing wage law and pay prevailing wages in accordance with the requirements of the Labor Code.
2. Prevailing wages have been paid as required by law.
3. Contractor and all its subcontractors have maintained labor records as required by the Labor Code and such records shall be made available upon request.
4. The undersigned acknowledges that disbursement of the retention by the California Energy Commission to the Recipient is expressly made in reliance upon the representations made in this certification.

**Construction Contractor #1**

Company Name:

Signature of Authorized Representative: \_\_\_\_\_

Printed/Typed Name:

Title:

Date:

**Construction Contractor #2**

Company Name:

Signature of Authorized Representative: \_\_\_\_\_

Printed/Typed Name:

Title:

Date:

**Construction Contractor #3**

Company Name:  
Signature of Authorized Representative: \_\_\_\_\_  
Printed/Typed Name:  
Title:  
Date:

**Construction Contractor #4**

Company Name:  
Signature of Authorized Representative: \_\_\_\_\_  
Printed/Typed Name:  
Title:  
Date:

**Construction Contractor #5**

Company Name:  
Signature of Authorized Representative: \_\_\_\_\_  
Printed/Typed Name:  
Title:  
Date:

**Construction Contractor #6**

Company Name:  
Signature of Authorized Representative: \_\_\_\_\_  
Printed/Typed Name:  
Title:  
Date:

# ATTACHMENT I

## Information on Compliance with Prevailing Wage

### Basic Provisions

- **What are prevailing wage requirements under California law?**

California law requires payment of locally prevailing wages (including employer payments for employee benefits) to workers, laborers, and mechanics on state government contracts in excess of \$1,000 for public works projects.<sup>3</sup> California prevailing wage requirements may also apply where a construction contract between private persons involves public works.<sup>4</sup>

Contractors and subcontractors on covered projects must also comply with additional requirements, such as providing workers' compensation coverage, maintaining certified payroll records and making such records available for inspection, and complying with apprenticeship obligations.<sup>5</sup>

- **What constitutes a prevailing rate under California law?**

Under California law, a "Prevailing Rate" is comprised of three components: (1) the basic hourly rate paid on public works projects to a majority of workers engaged in a particular craft, classification or type of work within the locality and in the nearest labor market area (if a majority of such workers are paid at a single rate);<sup>6</sup> (2) the rate for holiday or overtime work, as specified in an applicable collective bargaining agreement, or otherwise included with the prevailing basic hourly rate; and, (3) the prevailing rate of employer payments for any or all programs or benefits for employees, their families and dependents, and retirees, as enumerated in prevailing wage regulations issued by the California Department of Industrial Relations (DIR).<sup>7</sup>

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<sup>3</sup> Cal. Labor Code §§ 1723 (defining the statutory term "worker" to include "laborer, worker, or mechanic"), 1771 (stating general prevailing wage requirements applicable to workers on qualifying public works projects). 8 C.C.R. § 16000 (defining general prevailing rate of per diem wages to include the prevailing rate of employer payments for employee benefits). Labor Code Sections may be found online at <http://www.leginfo.ca.gov/calaw.html>.

<sup>4</sup> Cal. Labor Code § 1720.2 (stating that "public works" is defined to include construction work done under a private contract where prescribed conditions exist). See *also* Cal. Labor Code § 1720(c).

<sup>5</sup> See 8 C.C.R. § 16100(c) (enumerating obligations for contractors and subcontractors under California prevailing wage law).

<sup>6</sup> 8 C.C.R. § 16000 (explaining alternative methods of calculating the basic hourly rate if there is no single rate being paid to a majority in a particular locality). See *also* Frequently Asked Questions – Prevailing Wage, Department of Industrial Relations, available at [http://www.dir.ca.gov/dlsr/faq\\_prevailingwage.html](http://www.dir.ca.gov/dlsr/faq_prevailingwage.html).

<sup>7</sup> 8 C.C.R. § 16000. The full text of DIR's prevailing wage regulations can be found at: <http://ccr.oal.ca.gov> (Title 8, Division 1, Chapter 8, Subchapter 3).

- **What types of work are covered by California prevailing wage requirements?**

The California Labor Code beginning at section 1720 deals with this issue. Labor Code sections 1720 and 1771 define public works as:<sup>8</sup>

- Construction (includes work performed during the design and preconstruction phases of construction including but not limited to, inspection and land surveying work).
- Alteration.
- Demolition.
- Installation.
- Repair work.
- Maintenance work.

Below are some examples (this list is not exhaustive) of the types of activities that typically lead to finding that a project is a public work:

- Cement work such as pouring a cement pad.
- Site preparation such as grading.
- Surveying.
- Electrical work such as wiring.
- Carpentry work.
- Limited inspection activities.

### **Specific Job Categories**

- **What kind of trades or workers must be paid prevailing wages under California law?**

The California Department of Industrial Relations (DIR) Division of Labor Statistics and Research (DLSR) makes the final determination on which trades and/or workers are covered by prevailing wage laws. DLSR maintains a list of the covered trades/workers that are entitled to prevailing wage for public works commercial construction projects.<sup>9</sup>

Generally, workers such as the following would be covered trades:

- Operating engineer (heavy equipment operator)
- Surveyor
- Carpenter
- Cement Mason
- Electrician
- Laborer

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<sup>8</sup> See also 8 C.C.R. § 16001.

<sup>9</sup> See [www.dir.ca.gov/dlsr/statistics\\_research.html](http://www.dir.ca.gov/dlsr/statistics_research.html) or call the DLSR Prevailing Wage Hotline (415) 703-4774 for more information about these trades.

The following types of workers usually would NOT be covered trades entitled to payment of prevailing wages:

- Engineer
- Project superintendent / construction manager / project manager
- Architect
- Planner
- Computer programmer

The above examples are for general information only. If you have questions about whether a worker is in a covered trade requiring payment of prevailing wages, you should check directly with DIR.

- **Are apprentices covered by prevailing wage requirements under California law?**

An apprentice is permitted to work on a project subject to California prevailing wage requirements at less than the prevailing rate prescribed for the trade she performs. However, persons may only be employed at the apprentice wage rate on projects involving public works in limited circumstances. More specifically, in order to be eligible the employment and training of each apprentice must be in accordance with either the apprenticeship standards and apprentice agreements under which she is training, or the rules and regulations of the California Apprenticeship Council.<sup>10</sup>

- **Are helpers covered by prevailing wage requirements under California law?**

Under DIR prevailing wage regulations, a helper is defined as any subjourneyman classification traditionally used to assist a journeyman.<sup>11</sup>

In the absence of a determination that the use of such a subclassification prevails in a particular area, the helper classification may not be used as a substitute for a journeyman or apprentice.<sup>12</sup>

## **Miscellaneous Issues**

- **Do California prevailing wage requirements apply to a public agency that performs project work with its own employees?**

No. California prevailing wage requirements do not apply to work carried out by a public agency with its own employees.<sup>13</sup>

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<sup>10</sup> Additional requirements that must be satisfied in order for persons employed in these classifications to be paid an apprentice wage rate on projects involving public works are found in California Labor Code Section 1775.5.

<sup>11</sup> 8 C.C.R. § 16000.

<sup>12</sup> 8 C.C.R. § 16200(a)(3)(H).

- **If my project is a public work, how do I know what prevailing wages are required in order to prepare a budget?**

If your project is a public work, please submit your budget with the applicable prevailing wage for each trade entitled to prevailing wages as determined by DLSR. For prevailing wage rate information for commercial projects, see [www.dir.ca.gov/dlsr/statistics\\_research.html](http://www.dir.ca.gov/dlsr/statistics_research.html) or call the Prevailing Wage Hotline at (415) 703-4774. If your project involves residential construction, the rates are not listed on DIR's website, and you must call the DLSR Prevailing Wage Hotline.

- **How should I budget if I am unsure whether my project involves public works and requires the payment of prevailing wages?**

You are encouraged to determine if your project involves public works as soon as possible. In order to determine if your project is a public work, you will need to contact DIR. They can be reached at (415) 703-4774. If you do not know whether your project is a public work and you have not obtained a determination from DIR that the project is not a public work, you must budget with the assumption that the project is a public work and comply with the prevailing wage laws, including but not limited to the payment of prevailing wages.

On the budget, please indicate whether your budget includes amounts for the payment of prevailing wage. You must indicate "yes" unless you have received a determination from DIR that the project is not a public work.

If you do not budget for prevailing wage, and it is later determined that the project involves public works and prevailing wage must be paid, you may be liable for damages and penalties.<sup>14</sup> You also cannot later increase your grant award if it is determined that prevailing wages apply and increase project costs higher than budgeted. The amount requested in your proposal is the maximum that will be paid. Any increased costs for payment of prevailing wage must be paid with match funds. The Energy Commission's grant award amount does not change or increase if the Applicant's costs increase for any reason.

- **How do I get assistance in determining whether the project involves public works?**

First, call the DLSR Prevailing Wage Hotline, (415) 703-4774. The Prevailing Wage Hotline can frequently give advice quickly on routine questions. If the Prevailing Wage Hotline is unable to answer your question, you will need to write to the Director of DIR for a coverage determination on whether your project involves public works. You would include all the relevant facts and documents related to the project. DIR regulations, Title 8 California Code of Regulations, section 16001(a)(1), provides that any interested party may file a request with the Director of DIR to determine coverage under the prevailing wage laws. The request

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<sup>13</sup> Cal. Labor Code § 1771.

<sup>14</sup> Cal. Labor Code § 1775.

can be either for a specific project or type of work to be performed that the interested party believes may be subject to or excluded from coverage as public works under the Labor Code. Send requests for a coverage determination to:

Department of Industrial Relations  
Office of the Director  
455 Golden Gate Avenue  
San Francisco CA 94102

- **How long will it take to get an answer?**

Generally the question can be asked and answered informally and quickly through the Prevailing Wage Hotline. However, if you need to submit a request to the Director of DIR, it will take longer to get a coverage determination.

- **What happens if I make a request to DIR but do not have a decision or am still unsure whether prevailing wages must be paid by the time the Energy Commission makes an award at a business meeting, or by the time I execute the grant agreement?**

In this case, the Energy Commission would execute a grant agreement with a budget that assumes prevailing wage is required. If the Recipient, prior to performing the activities in question, then receives a determination from DIR that the project is not a public work, then the Energy Commission can execute an amendment with the Recipient to decrease the budget accordingly. The prevailing wage terms and conditions can also be removed.

- **What if I submit a proposal to the Energy Commission with a project that I say is not a public work, and the Energy Commission believes that it might be a public work?**

The Energy Commission would request that you first call the Prevailing Wage Hotline. If you do not receive an answer, the Commission would request that you write a letter to DIR and ask DIR to make the decision. If DIR says the project is a public work, then you will need to pay prevailing wages. If you do not obtain a DIR determination that the project is not a public work requiring the payment of prevailing wages, then you must assume that the project is a public work and comply with the prevailing wage laws, including paying prevailing wages.

- **What do I do if workers will be used who do not fit neatly into one of the categories on the DIR website?**

Contact DLSR and describe the type of trade you anticipate will be required in your project and ask whether there is an existing prevailing wage already set by DLSR.

## **Additional Information on State Prevailing Wage**

- Department of Industrial Relations (DIR) Public Works Manual, May 2009, *available at* <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
- Public Works Determination No. 2003-029, *available at* <http://www.dir.ca.gov/dlsr/coverage/year2005/2003-029.pdf>.

## **ATTACHMENT J**

### **Terms and Conditions with Payment Request Form**

The Terms and Conditions Sample is posted as a separate portable document file (pdf). The sample can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package. Please read this for a complete understanding of what is being offered.

## **ATTACHMENT K**

### **California Environmental Quality Act (CEQA) Compliance Form**

The CEQA Compliance form is posted as a separate Microsoft Word document. Please follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.

# ATTACHMENT L

## Invoicing Instructions for Cost Reimbursement Agreements

### PURPOSE

For cost reimbursement Agreements, the Energy Commission reimburses Contractors for actual allowable expenditures incurred, not to exceed the rate caps specified in the Agreement budget. Since organizations typically calculate actual costs for fringe benefits and indirect cost categories on a yearly or quarterly basis, costs invoiced the Commission may be based on estimated costs until the actual yearly (or quarterly) costs are calculated. These instructions are to clarify procedures for invoicing for labor and indirect costs and reconciling estimated with actual costs, if necessary.

### TERMS

“Agreement” refers to contracts, interagency agreements, grants, and contingent awards.

“Annual” calculations of rates represent the most common methodology. However, if your organization calculates actual rates on a quarterly basis or other time period, substitute that period for “annual” in these instructions.

“Base” is the direct costs to which the rate is applied. The base for fringe benefits is direct labor. The most common bases for indirect costs are direct labor (and may include fringe benefits) or modified total direct costs (excluding capital costs, pass-through funding, and unallowable costs.) Other bases are acceptable as long as the Contractor applies rates consistently and adheres to generally accepted accounting principles and the applicable OMB circulars or federal acquisition regulations.

“Contractor” refers to contractors, grant recipients, and contingent award recipients.

“Indirect overhead” and “general and administrative” are the most common categories of indirect costs included as budget categories. However, if your organization utilizes different categories, which are included in your Agreement budget, please substitute those categories for the indirect categories listed below. The procedures should remain the same.

### NOTE REGARDING AGREEMENT RATES

If your Agreement budget includes direct labor, fringe, indirect overhead, and/or general and administrative (G&A) costs but does not specify rates, AND you submitted a proposal in response to a solicitation, use the rates in your proposal. Proposal rates are incorporated by reference into your Agreement. If (1) the Agreement does not specify rates AND (2) the proposal does not specifies rates or the Agreement was not

competitively bid, calculate the rates as a percentage of the base by using the totals in your Agreement budget.

**Example:**

**(In the example below, the fringe benefit Agreement rate is calculated as a percentage of the direct labor costs, i.e., the base, using the Agreement direct labor and fringe benefit budgets.)**

<b>Agreement Direct Labor Budget</b>	<b>Agreement Fringe Budget</b>	<b>Rate</b>
\$120,000	\$30,000	25%

**DIRECT LABOR**

Labor shall be billed at the Agreement rate or actual rate, whichever is lower. The Agreement rate is a cap, or maximum amount allowed to be billed. The Contractor can only bill for actual expenses incurred for hours worked on the Agreement at the actual labor rates of the Contractor or Contractor’s employees, not to exceed the Agreement rate cap. If the Agreement shows a salary range for an employee classification (i.e., Energy Analyst \$30.00 - \$35.00 per hour), the Contractor shall bill only for the actual salary of the specific Energy Analyst who worked on the project (even if the actual salary is less than the range), up to the maximum of the range in the budget (i.e., \$35.00).

**Example:**

<b>Agreement Hourly Rate</b>	<b>Actual Hourly Rate</b>	<b>Billable Hourly Rate</b>
\$32.00	\$35.00	\$32.00
\$32.00	\$30.50	\$30.50
\$30.00 - \$35.00	\$34.25	\$34.25

**FRINGE BENEFITS**

Fringe benefits shall be billed at the Agreement rate or actual rate, whichever is lower. The Agreement rate is a cap, or maximum amount allowed to be billed. The Contractor shall only bill for actual allowable fringe benefit expenses incurred for the Contractor’s employees working on the Agreement, calculated as a percentage of labor rates, up to the Agreement fringe benefit rate cap.

**Example:**

<b>Agreement Fringe Rate</b>	<b>Actual Fringe Rate</b>	<b>Billable Fringe Rate</b>
30%	35%	30%
30%	25%	25%

## Annual Adjustments to Fringe Benefits:

Actual fringe benefit rates shall be calculated annually. Each year the Contractor shall adjust billed rates to reflect the actual annual calculations, not to exceed the Agreement fringe benefit rate cap. If necessary, an adjustment shall be made to the next invoice after the annual rates have been calculated for the difference between the billed and actual amount of fringe benefit costs, not to exceed the Agreement fringe benefit rate cap. The Contractor shall attach an Energy Commission Invoice Rate Adjustment form (attached) to the adjustment invoice.

At the end of the Agreement, actual rates shall be calculated for the period from the last adjustment through the final invoice. If the final adjustment period is a partial year, the Contractor shall use the prior year actual rates. An adjustment shall be made to the final invoice for any difference between the billed and actual amount of fringe benefit costs, not to exceed the Agreement fringe benefit rate cap. The Contractor shall attach an Energy Commission Invoice Rate Adjustment form to the final invoice. No adjustment for underbillings can be made after the final invoice is paid or if there are no funds remaining in the Agreement. If the Contractor has overbilled the Energy Commission, the Commission may reduce payment of the final invoice by the amount overbilled or bill the Contractor, at the Commission's sole discretion.

Contractor shall maintain documentation of rate calculations in accordance with the recordkeeping, cost accounting, and auditing provisions of the Agreement terms.

### Example:

**(In the example below, the Contractor calculates the fringe benefit costs as a percentage of the direct labor costs.)**

	<b>Direct Labor</b>	<b>Agreement Rate</b>	<b>Actual Rate</b>	<b>Billable Rate</b>	<b>Rate Billed</b>	<b>Adjustment</b>
<b>Year 1</b>	\$10,000	30% (\$3,000)	35% (\$3,500)	30% (\$3,000)	28% (\$2,800)	2% (+ \$200)
<b>Year 2</b>	\$12,000	30% (\$3,600)	25% (\$3,000)	25% (\$3,000)	30% (\$3,600)	-5% (- \$600)
<b>Year 3</b>	\$15,000	30% (\$4,500)	40% (\$6,000)	30% (\$4,500)	30% (\$4,500)	0% (\$0)

## INDIRECT OVERHEAD

Indirect overhead shall be billed at the Agreement rate or actual rate, whichever is lower. The rate in the Agreement is a cap, or maximum amount allowed to be billed. The Contractor shall only bill for actual allowable indirect expenses, calculated as a percentage of the base specified in the Agreement, up to the Agreement indirect rate cap.

**Example:**

<b>Agreement Indirect Rate</b>	<b>Actual Indirect Rate</b>	<b>Billable Rate</b>
25%	25%	25%
25%	15%	15%

**Annual Adjustments to Indirect Rates:**

Actual indirect rates shall be calculated annually. Each year the Contractor shall adjust billed rates to reflect the actual annual calculations, not to exceed the Agreement indirect rate cap. If necessary, an adjustment shall be made to the next invoice after the annual rates have been calculated for the difference between the billed and actual amount of indirect costs, not to exceed the Agreement indirect rate cap. The Contractor shall attach an Energy Commission Invoice Rate Adjustment form to the adjustment invoice.

At the end of the Agreement, actual rates shall be calculated for the period from the last adjustment through the final invoice. If the final adjustment period is a partial year, the Contractor shall use the prior year actual rates. An adjustment shall be made to the final invoice for any difference between the billed and actual amount of indirect costs, not to exceed the Agreement indirect rate cap. The Contractor shall attach an Energy Commission Invoice Rate Adjustment form to the final invoice. No adjustment for underbillings can be made after the final invoice is paid or if there are no funds remaining in the Agreement. If the Contractor has overbilled the Energy Commission, the Commission may reduce payment of the final invoice by the amount overbilled or bill the Contractor, at the Commission's sole discretion.

Contractor shall maintain documentation of rate calculations in accordance with the recordkeeping, cost accounting, and auditing provisions of the Agreement terms.

**Example:**

**(In the example below, the Contractor calculates indirect on a modified direct cost base.)**

	<b>Modified Direct Costs</b>	<b>Agreement Rate</b>	<b>Actual Rate</b>	<b>Billable Rate</b>	<b>Rate Billed</b>	<b>Adjustment</b>
<b>Year 1</b>	\$100,000	40% (\$40,000)	35% (\$35,000)	35% (\$35,000)	40% (\$40,000)	-5% (-\$5,000)
<b>Year 2</b>	\$125,000	40% (\$50,000)	42% (\$52,500)	40% (\$50,000)	35% (\$43,750)	5% (+\$6,250)
<b>Year 3</b>	\$130,000	40% (\$52,000)	32% (\$41,600)	32% (\$41,600)	35% (\$45,500)	-3% (-\$3,900)

## GENERAL AND ADMINISTRATIVE (G&A)

If the Agreement budget separates G&A costs from indirect overhead, the Contractor shall bill G&A at the Agreement or actual rate for G&A, whichever is lower. The rules for billing are the same as those for indirect overhead described in the previous section.

## LOADED RATES

Loaded rates are rates that include direct labor plus one or more of the following rate components in one hourly rate: fringe benefits, indirect overhead, G&A, and profit.

Contractors can bill at loaded rates **only if the contract terms specifically allow for loaded rates** and if they meet the following conditions:

1. In order for fringe benefits, indirect overhead, G&A, or profit to be included in the loaded rate, the base for calculating that rate must include direct labor as one of the cost components.
2. The rates for the individual components of the billed loaded rate cannot exceed the Agreement caps or actual rates for direct labor, fringe benefits, indirect overhead, and G&A, whichever is lower.
3. The rates for the individual components of the billed loaded rate should be adjusted annually. See instructions above for each component of the loaded rate.

### Example:

Direct Labor Hourly Rate	Agreement Fringe Rate 25%	Actual Fringe Rate 30%	Billable Fringe Rate 25%	Agreement Indirect Rate 45%	Actual Indirect Rate 40%	Billable Indirect Rate 40%	Billable Loaded Rate
\$25.00	\$6.25	\$7.50	\$6.25	\$11.25	\$10.00	\$10.00	\$41.25
\$32.00	\$8.00	\$9.60	\$8.00	\$14.40	\$12.80	\$12.80	\$52.80
\$35.45	\$8.86	\$10.64	\$8.86	\$15.95	\$14.18	\$14.18	\$58.49

## **ATTACHMENT M**

### **Local Health Impacts Information**

Air Quality Guidelines (California Code of Regulations, Title 13, Chapter 8.1, Section 2343(c)(6)(A)) require the Energy Commission to analyze the aggregate locations of the funded projects, analyze the impacts in communities with the most significant exposure to air contaminants or localized air contaminants, or both, including, but not limited to, communities of minority populations or low-income populations, and identify agency outreach to community groups and other affected stakeholders.

This information must be provided for all AB 118 funding categories for projects that will require a discretionary permit, including fueling stations, fuel production, feedstock production or procurement, and vehicle or technology component production.

#### **INSTRUCTIONS**

**Please complete the following information *for the site(s) of the proposed project that will require a permit.*** Attach additional pages if necessary. If the project includes multiple sites, you may submit this information in a table format using the bolded font below as column headers.

#### **PROJECT NAME**

#### **APPLICANT'S NAME AND ORGANIZATION**

#### **PROJECT SITE(S) DESCRIPTION**

Provide the address(es) of the site(s) and a description of existing infrastructure or facilities (if any), surrounding structures, reference to any regional plans or zoning requirements for that location, and its proximity to residences, day care facilities, elder care facilities, and schools.

(E.g., Site 1: 123 Main Street, Grand Terrace, CA, 92313, Vacant lot in a commercially-zoned area. Commercial buildings surround the lot. No residences within ¼ mile; Site 2: 321 Beach Street, San Francisco, CA, Existing gasoline/diesel fueling station. Residential area within 200 on South and East ends of project site.)

## **DEMOGRAPHIC DATA**

Provide demographic data at the city or Zip code level for either the project location or the location of the potential health impacts, including:

- Total population
- Median education level
- Unemployment rate
- Percentage of minorities (by ethnicity)
- Percentage of population falling under the poverty level
- Percentage of population under 5 years and over 65 years of age

Suggested sources: Census Data, [www.census.gov](http://www.census.gov); city website, local economic development department, Employment Development Department Labor Market Information Data Division

Cite your data sources including name of data source, date of data

## **PROJECT-GENERATED EMISSIONS**

Provide a quantified description of the air emissions (criteria and toxic) directly associated with the project's operations, including, but not limited to: 1) transport of fuel, feedstock or other material to project site as required for operations and production; 2) production of fuel or technology components; 3) fueling of alternatively-fueled vehicles.

## **PROJECT HEALTH IMPACTS**

Using the demographic data and emissions information, provide a description of the project's potential localized health impacts. For this section, "potential localized health impact" denotes the project's potential to add criteria pollutants and toxic air contaminants to a localized air shed and affect ambient air quality levels to an extent that local community health is adversely affected.

## **PROJECT SUMMARY**

Provide the page number in the project that describes the project goal and proposed infrastructure changes.

Provide estimate of environmental benefits and/or impacts from the proposed project.

## **OUTREACH EFFORTS**

Describe outreach efforts to be implemented throughout the project to educate the surrounding community of these benefits and/or impacts. Include method of outreach (e.g. flyer, townhall meeting), frequency of outreach, number of targeted stakeholders, and information to be provided.

**Exhibit 1**  
**California Historic New Vehicle Sales (2007 Model-year)**

	GVWR-All Weight Classes		GVWR-3 10,001-14,000 LBS		GVWR-4 14,001-16,000 LBS		GVWR-5 16,001-19,500 LBS		GVWR-6 19,501-26,000 LBS		GVWR-7 26,001-33,000 LBS		GVWR-8 33,001
	Gasoline	Diesel	Gasoline	Diesel	Gasoline	Diesel	Gasoline	Diesel	2007	2007	2007	2007	2007
AMBULANCE	2	121	2	61	0	45	0	7	0	8	0	0	0
ARMORED TRUCK	32	24	30	0	0	0	2	2	0	19	0	2	0
AUTO CARRIER	9	337	1	0	1	5	2	37	2	262	1	19	2
BEVERAGE	0	0	0	0	0	0	0	0	0	0	0	0	0
BOOM	0	0	0	0	0	0	0	0	0	0	0	0	0
BUS	1045	1354	235	127	563	214	72	62	158	595	10	329	7
CARGO CUTAWAY	70	13	63	8	7	3	0	2	0	0	0	0	0
CHASSIS & CAB	1013	2724	632	1050	166	504	136	931	26	106	21	41	32
CONCRETE MIXER	1	1051	0	0	0	0	0	0	0	0	0	10	1
CONVENTIONAL CAB	21	1374	15	20	3	30	3	62	0	538	0	550	0
CRANE	80	450	4	1	68	5	2	50	2	145	0	104	4
CUTAWAY	149	29	58	4	87	11	3	0	0	14	1	0	0
DROMEDAY	0	2	0	0	0	0	0	0	0	0	0	1	0
DUMP	174	1212	65	37	34	74	14	111	3	203	23	121	35
FIRE TRUCK	16	394	0	1	1	13	1	15	14	248	0	6	0
FLAT BED /PLATFRM	387	2599	296	307	43	485	24	479	13	765	8	229	3
FORWARD CONTROL	0	0	0	0	0	0	0	0	0	0	0	0	0
GARBAGE	22	652	0	1	0	0	2	2	1	8	1	10	18
GLIDERS	0	0	0	0	0	0	0	0	0	0	0	0	0
INCOMPLTE CHASSIS	16	156	4	13	12	26	0	0	0	83	0	34	0
LOGGER	0	35	0	0	0	0	0	0	0	0	0	0	0
MOTORIZED CUTAWAY	47	4	47	4	0	0	0	0	0	0	0	0	0
MULTIPLE BODIES	14	9	13	0	0	0	0	5	0	2	1	1	0
PANEL	12	17	11	5	1	0	0	1	0	2	0	9	0
PARCEL DELIVERY	315	575	2	0	230	198	0		83	366	0	2	0
PICKUP	788	6334	752	6177	28	130	8	26	0	0	0	1	0
REFRIGERATED	18	1243	5	0	10	158	0	165	3	578	0	315	0
STAKE OR RACK	500	1206	329	123	113	282	32	224	9	417	11	96	6
STEP VAN	119	83	10	0	109	22	0	3	0	14	0	44	0
TANDEM	0	490	0	0	0	0	0	0	0	3	0	1	0
TANK	5	817	2	2	0	2	1	18	0	212	0	231	2
TILT CAB	162	1001	75	10	86	384	1	362	0	168	0	48	0
TILT TANDEM	1	51	0	0	0	0	0	1	0	0	0	0	1
TOW TRUCK WRECKER	29	811	5	18	12	26	10	211	2	465	0	59	0
TRACTOR TRUCK DSL	0	5094	0	2	0	0	0	12	0	15	0	1119	0
TRACTOR TRUCK GAS	2	0	0	0	1	0	0	0	0	0	0	0	1
UNKNOWN	208	413	172	232	19	32	5	33	11	10	0	81	1
UTILITY	602	1507	453	540	86	400	36	367	6	114	7	69	14
VAN	994	5811	593	303	351	1461	25	569	10	2628	11	696	4
SUBTOTAL	6853	37993	3874	9046	2031	4510	379	3765	343	7988	95	4228	131
MOTORIZED HOME	5340	2463	676	1031	1986	22	430	96	2237	330	9	796	2
TOTAL	12193	40456	4550	10077	4017	4532	809	3861	2580	8318	104	5024	133

## **ATTACHMENT N**

### **Example Resolution**

The Example Resolution is posted as a separate document. The sample document can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.