

Addendum to
Questions, Answers and Clarifications
Hydrogen Fuel Infrastructure Solicitation
PON-12-606
Alternative and Renewable Fuel and Vehicle Technology Program
California Energy Commission

Q.1 Eligible investments for Renewable Hydrogen Set-Aside funds: On page 8, Section II.C, the solicitation indicates \$3.0 million in funding will be designated for stations dispensing 100% renewable hydrogen. Are all or a portion of the costs of construction of a landfill or municipal waste water treatment biogas purification system to provide 100% renewable hydrogen to a network of eligible hydrogen fueling stations eligible for this set aside funding?

A.1 The purpose of PON-12-606 is to primarily fund hydrogen dispensing infrastructure, not purification or production systems. However, Section III.B (Eligibility) states that *on-site* hydrogen production equipment is eligible under this solicitation. All or a portion of the costs of construction of a landfill or municipal waste water treatment biogas purification system are not eligible under this solicitation.

Q.2 Attachment 12, Section 12 “Equipment,” states that “The Recipient shall use the equipment in the project or program for which it was acquired *as long as needed*, whether or not the project or program continues to be supported by grant funds” (emphasis added). Please clarify what the Commission means by “as long as needed” and what the criteria will be used to make that determination.

A.2 With this clause the Energy Commission (Commission) seeks to ensure that the equipment funded is used for the purposes of the project or program for as long as possible beyond the end of the term of a grant agreement. As stated in the solicitation, the goal is to “provide grant funds to projects which expand the network of publicly accessible hydrogen fueling stations to serve the current population of fuel cell vehicles (FCVs) and to accommodate the planned large-scale roll-out of FCVs commencing in 2015.” The Commission expects Grant recipients to use the equipment paid for with state funds to achieve this goal.

Q.3 Attachment 12, Section 12 “Equipment,” also states that “Recipient will not encumber the property without CAM approval. When no longer needed for the original project or program, the Recipient shall contact the CAM for disposition instructions.” Please clarify the term of the “original project or program”. Is it related to the length of the Energy Commission funding

Agreement entered into pursuant to this program? If not, please clarify the rules that govern the CAM's disposition instructions or decisions to approve requests to encumber equipment. Please indicate whether these rules or terms change over time.

A.3 The duration of the original project or program is specific to each project or program, and is not determined by the length of the agreement. CAM approval prior to encumbering the equipment is limited to the approved term funding agreement and does not extend beyond that date.

Q.4 Eligible Projects (Section III.B, p. 10). Please clarify whether a publicly accessible station dispensing only alternative fuels (CNG, biodiesel, etc.) would be considered as an eligible project?

A.4 Projects must be located at existing *retail* fueling stations. As long as the alternative fuels are sold at a publicly accessible station dispensing alternative fuels a project would be considered eligible. Section II.B states that "Eligible projects [...] include one or more of the following:

- Installation of new hydrogen dispensing equipment.
- Upgrade/refurbishment of existing hydrogen dispensing equipment.
- Installation of equipment for the on-site production and dispensing of hydrogen fuel."

Q.5 Please clarify the credit purchases required to satisfy the renewable obligation including those that are applicable for SMR based hydrogen production.

A.5 Renewable hydrogen must be dispensed and documented through a direct physical pathway. Credits may not be used except for process electricity as specified on pages 12 and 13 of PON-12-606. A direct physical pathway refers to either on-site or off-site production of renewable hydrogen. See Section X.C for documentation requirements. This applies to all possible pathways.

Q.6 Can an Applicant submit a proposal for new "Location X" (within the 25 listed sites) AND ask for production funding support as well (at another location)? I did not read the solicitation from that perspective, but believe HF may still be eligible to go after new sites (within the 25) and still get funding support to upgrade their production.

A.6 Section III.B (Eligibility) states that *on-site* hydrogen production equipment is eligible as part of a project under this solicitation. In addition, ancillary equipment may be eligible. See Section III.E (page 13) and Section X.H.4 for details on ancillary equipment. The purpose of

PON-12-606 is to primarily fund hydrogen dispensing infrastructure, not production systems. An Applicant can submit applications for locations inside the 25 Station Location Area polygons but not for production funding support for another location outside the 25 Station Location Area polygons.

Q.7 I represent a CA company. We have developed a hydrogen-based supplemental fuel system that is installed on diesel vehicles and generates hydrogen on-demand. The system is very effective and does not require a hydrogen fueling station to provide the supplemental fuel to the diesel engine. Is it eligible under this grant solicitation?

A.7 The purpose of PON-12-606 is to fund hydrogen dispensing infrastructure, not on-board vehicle systems for the production of hydrogen.