

**Questions and Answers
California Air District Natural Gas
Vehicles Solicitation
GFO-17-605
February 20, 2018**

These answers are based on the Energy Commission's interpretation of the questions received. It is the applicant's responsibility to determine whether or not their particular proposed project is eligible for funding, by reviewing the Eligibility Requirements within the solicitation. The Energy Commission cannot give advice as to whether or not a particular project is eligible for funding, because all proposal details are not known.

Eligible Projects

Q1. Can a recipient of another Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) grant for compressed natural gas (CNG) infrastructure receive funds under this solicitation?

A1. Yes. An applicant may receive a grant from the Energy Commission for both natural gas infrastructure and natural gas vehicles.

Q2. Can the applicant apply to fund specific waitlisted vehicles from an existing program if the selected vehicles have a competitive advantage over other waitlisted vehicles in the same program?

A2. If funding provided under GFO-17-605 is funding waitlisted vehicles in an existing program, Air Districts are advised to follow the rules of their existing program to incentivize natural gas vehicle deployments. Air Districts should describe in their applications how vehicles will be selected for funding. Applications will be evaluated, in part, on how quickly incentivized vehicles can be deployed and the benefits expected from the incentivized vehicles. Vehicles waitlisted in an existing program may be deployed more quickly while a new selection methodology may take longer to implement.

Q3. An Air District may have several programs that could be eligible for this grant, but select applicants of select programs may have a competitive advantage over other applicants and programs as a whole. Is the Air District allowed to choose multiple programs and only select applicants from each program if this results in a better use of grant funds?

A3. The Air District may combine multiple programs in one proposal. Applicants should describe in their applications how vehicles will be selected for incentive funding and should follow Air District rules and requirements related to providing incentive funding.

Q4. Are light-, medium- and heavy-duty vehicles eligible?

A4. Yes, provided the project meets all other solicitation requirements.

Q5. Are school buses, transit buses, refuse trucks and fork lifts eligible?

A5. **School buses, transit buses, and refuse trucks are eligible**, provided the project meets all other solicitation requirements. In accordance with Addendum 1, fork lifts and other off-road vehicles are not eligible.

Q6. Is replacing existing in-use natural gas vehicles or other fueled vehicles with natural gas vehicles eligible?

A6. Yes. Even though eligible, the intention of this solicitation is to displace use of diesel and petroleum. Applicants are cautioned that projects proposing to incentivize the replacement of existing natural gas vehicles are expected to result in lower overall benefits which will be evaluated as part of the evaluation criteria.

Q7. Are both CNG and liquefied natural gas (LNG) vehicles eligible?

A7. No. GFO-17-605 will only fund CNG vehicle incentives.

Q8. Is funding of CNG and LNG infrastructure eligible?

A8. No. Fueling infrastructure is *not* eligible under this solicitation.

Q9. Is there a minimum grant request or project size for the Air District Natural Gas Vehicle Solicitation?

A9. No.

Timeline

Q10. When do projects need to be funded and completed/final report submitted?

A10. All proposed projects must be completed by March 31, 2022. Air Districts are encouraged to expedite the deployment of natural gas vehicles. In accordance with Addendum 1, the evaluation criteria will evaluate the degree to which natural gas vehicle deployment is expedited.

Q11. It looks like there's only a date, and no specific time for the deadline to submit applications when do they need to be in by?

A11. The deadline to submit applications is February 28, 2018 at 5:00 p.m. See Addendum 1.

Q12. Is there a way to access grant information well in advance of the planned solicitation release dates so that applicants can plan and develop a program and competitive application in the absence of an existing program or waitlist?

A12. No, there is no way to access specific grant information in advance of the solicitation. Applicants, and any member of the public, can participate in the ARFVTP's public Investment Plan process to find out, and comment on, where funding is being assigned.

Application Process

Q13. Do districts need to include a resolution from their Board of Directors authorizing the application for funding?

A13. A resolution at the time of application is not required; however, a resolution will be necessary prior to executing agreements resulting from this solicitation.

Q14. How can a local resident, business, or community organization help its local Air District during this grant application process? For example, will the Grant Solicitation System allow letters of support? If letters of support are included, will these be considered during the application review process?

A14. In accordance with Addendum 1, letters of support can be included by the Air District when they submit their application. Letters of support (as well as all other application elements) will be evaluated in accordance with the evaluation criteria.

Funding

Q15. Are air district administrative costs eligible for reimbursement under this solicitation?

A15. No. Eligible costs are limited to funding for vehicle incentives only.

Q16. Once an applicant receives the funds, does the program allow funds to be dispersed to operators prior to vehicle purchase, or are vehicles funded only after they have been delivered to the operator/recipient?

A16. Air Districts should describe how funds will be disbursed under the proposed project and should address how risks in their funding approach are addressed and mitigated. Approaches will be evaluated as part of the "Program Effectiveness" evaluation criterion.

In accordance with the terms and conditions of Energy Commission funding agreements, the Energy Commission disburses funds on a reimbursement basis upon the funding recipient properly documenting an allowable incurred or paid expenditure.

Q17. What is the funding cap on a per vehicle basis? How much funding can be spent per vehicle?

A17. Air Districts must describe the incentive levels to be provided under the proposed project which will be evaluated in accordance with the evaluation criteria.

Q18. What happens if an applicant is awarded funds but is unable to spend all of the money?

A18. Air Districts are encouraged to request funding amounts that can be used efficiently, effectively and timely to deploy natural gas vehicles. Proposed projects will be evaluated, in part, based on the degree to which natural gas vehicle deployments can be expedited.

Since funds are disbursed on a reimbursement basis, unused funding at the end of the agreement will be liquidated and become available for other purposes under the Alternative and Renewable Fuel and Vehicle Technology Program.