

Pre-Application Workshop GFO-18-605 Zero-Emission Vehicle and Zero-Emission Vehicle Infrastructure Manufacturing



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Fuels and Transportation Division



Agenda

- Welcome and Introductions
- Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP)
- Purpose of Solicitation and Workshop
- Commitment to Diversity
- Presentation of Solicitation
 - Funding
 - Eligible Applicants
 - Project Requirements
 - Project Costs
 - Application Requirements
 - Evaluation Process and Scoring
- Key Activities and Dates



ARFVTP in Statute

Assembly Bill No. 118

CHAPTER 750

An act to add Article 11 (commencing with Section 44125) to Chapter 5 of, to add Chapter 8.9 (commencing with Section 44270) to, Part 5 of Division 26 of, and to add and repeal 44060.5 of, the Health and Safety Code, and to add and repeal Sections 9250.1, 9261.1, and 9853.6 of the Vehicle Code, relating to air pollution.

[Approved by Governor October 14, 2007. Filed with Secretary of State October 14, 2007.]

LEGISLATIVE COUNSEL'S DIGEST

AB 118, Nunez. Alternative fuels and vehicle technologies: funding programs.

(1) Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution. Under existing law, the State Energy Resources Conservation and Development Commission (Energy Commission), in conjunction with other state agencies, is required to develop and adopt a state plan to increase the use of alternative fuels, as defined.

Existing law establishes the Public Interest Research, Development, and Demonstration Fund in the State Treasury, and provides that the money collected by the public goods charge to support cost-effective energy efficiency and conservation activities, public interest research and development not adequately provided by competitive and regulated markets, be deposited in the fund for use by the Energy Commission to develop, implement, and administer the Public Interest Research, Development, and Demonstration Program to develop technologies to, improve environmental quality, enhance electrical system reliability, increase efficiency of energy-using technologies, lower electrical system costs, or provide other tangible benefits.

The bill would create the Alternative and Renewable Fuel and Vehicle Technology Program, to be administered by the Energy Commission, to provide, upon appropriation by the Legislature, grants, loans, loan guarantees, revolving loans, or other appropriate measures, to public agencies, businesses and projects, public-private partnerships, vehicle and technology consortia, workforce training partnerships and collaboratives, fleet owners, consumers, recreational boaters, and academic institutions to develop and deploy innovative technologies that transform California's fuel and vehicle types to help attain the state's climate change policies.

Established by Assembly Bill 118
(Nunez, 2007)

“...to develop and deploy innovative technologies that transform California’s fuel and vehicle types to help attain the state’s climate change policies.”
(California Health and Safety Code 44272(a))



Guiding Policies

Policies

Assembly Bill 32 (2006)

Reduce greenhouse gas (GHG) emissions to 1990 levels by 2020

Senate Bill 350 (2015)

Increase access to zero-emission vehicle (ZEV) and near-ZEV options to low income customers, including those in disadvantaged communities

Executive Order B-48-18

ZEV and ZEV infrastructure deployment goals

2018 ZEV Action Plan Priorities Update

Engage with ZEV manufacturers, maximize economic/job opportunities



Purpose of Solicitation

- Support supply chains in California that manufacture ZEVs and ZEV infrastructure technologies.
- Goal:
 - Produce technologies to meet the state’s goal of 5 million ZEVs on the road by 2030.
 - Reduce GHG emissions, improve air quality, and stimulate economic and business development.



Purpose of Workshop

- Provide program context and source of funding
- Present the solicitation and solicitation elements
- Review solicitation schedule
- Provide overview of the solicitation process
- Potential applicants can pose questions to staff
- Staff responses to questions
- Next steps



Commitment to Diversity

The Energy Commission adopted a resolution on April 8, 2015, to firmly commit to:

- Increase participation of women, minority, disabled veteran and LGBT business enterprises in program funding opportunities.
- Increase outreach and participation by disadvantaged communities.
- Increase diversity in participation at Energy Commission proceedings.
- Increase diversity in employment and promotional opportunities.



Commitment to Diversity (cont.)

- **Fairness** – Increase funding accessibility to all Californians.
- **Inclusion** – Small businesses make up a significant portion of the U.S. economy.
- **Job Creation** – Projects can create jobs for residents of the under-served communities.
- **Diversity of Ideas** – Great ideas occur in a variety of areas.
- **Diversity in Communities' Needs** – Needs vary widely from one area to the next (air quality, socioeconomic, etc.).



Funding

- A total of \$9,900,000 in available funding.
 - Category A: \$4,900,000
 - Category B: \$5,000,000
- Projects are eligible for up to 50% of a total project's costs or \$2,000,000, whichever is less.
- 50% match share funding with 10% cash match share.
- If an insufficient number of passing applications are received in one of the categories noted, the Energy Commission may transfer unused funding from one category to another category.



Eligible Applicants

- Open to only private, for-profit businesses.
- Must have a business presence in California
- Agree to Energy Commission's Terms and Conditions
- Registered in good standing with the California Secretary of State



Project Requirements

Must be located in California and fit into Category A or Category B:

Category A

Complete ZEVs - Manufacture a complete light-, medium-, or heavy-duty ZEV. The ZEV can be an on-road or off-road plug-in electric vehicle (PEV) or fuel cell electric vehicle (FCEV);

AND/OR

ZEV Components - Manufacture ZEV components where the manufactured or final product is an integral component of a complete ZEV. ZEV components include, but are not limited to, power trains, battery packs, control and management systems, and on-board chargers.



Project Requirements (cont.)

Category B

Electric Vehicle Supply Equipment (EVSE) - Manufacture a complete off-board EVSE, or EVSE components, including, but not limited to, software, firmware, and hardware technologies;

AND/OR

Hydrogen Refueling Station Equipment (HRSE) - Manufacture HRSE or systems including, but not limited to, storage, chillers, compressors, nozzles, refueling apparatus, dispensing equipment, safety equipment, software technologies, and control systems.



Eligible Project Costs

- Reequipping, expanding, or establishing a manufacturing facility that manufactures eligible products.
- Manufacturing line processing methods, design, engineering, testing, and plan specifications.
- Acquisition of manufacturing tools and equipment.
- Performance testing, material assessments and other technical tests to verify/certify manufacturing equipment operation, equipment integrity, and compliance with manufacturing protocols/processes.
- Building and facility modifications that support the manufacturing process.



Eligible Project Costs (cont.)

- Labor required installing, testing, and certifying manufacturing tools and equipment.
- Labor, including non-recurring engineering for software, firmware, and hardware product(s) or service(s) for commercial sale.
- Workforce training and development. Workforce training and development activities are capped at 10% of the Energy Commission award amount.



Ineligible Project Costs

- Labor costs for software, firmware, or hardware prototypes.
- Technology research, technology development, or technology demonstration activities.
- Analytical or feasibility studies (e.g. manufacturing, funding, product engineering, workforce, environmental, economic, strategic planning).
- Surveys, research and development, case studies, or market assessments.
- Workforce training program design.
- Manufacture of prototype(s) or demonstration product(s)/service(s).
- Building permits, zoning, and site approvals.



Ineligible Costs (cont.)

- Acquisition of raw materials/inputs for the manufacture of commercial product(s).
- Planning and policy studies.
- Secondary data gathering and reporting activities.
- Marketing and promotion activities or public outreach/education.
- Manufacturing of end products.
- Operations and maintenance of established manufacturing facility.
- Construction and/or installation of ZEV infrastructure.
- Hydrogen fuel and fuel used to produce hydrogen.



Application Requirements

Item	Attachment Number (if applicable)
Application Form	Attachment 1
Table of Contents	N/A
Executive Summary	N/A
Project Narrative	N/A
Scope of Work	Attachment 2. See also SOW Instructions in Attachment 3.
Schedule of Products and Due Dates	Attachment 4
Budget Forms	Attachment 5
Resumes	N/A
Contact List	Attachment 6
Letters of Support/Commitment	N/A
CEQA Worksheet	Attachment 7
Manufacturing Facility Layout	N/A
Local Health Impacts Information Form	Attachment 8



Application Requirements (cont.)

- Application Page Limitation: 25 pages
- Applicants should ensure Applications:
 - Fully and clearly address each criterion.
 - Carefully organize information in unambiguous detail to facilitate review and evaluation.
 - Include all assumptions and calculations used (as applicable).
- Project Narrative:
 - Team Qualifications.
 - Business Operations (Confidentiality).
 - Manufacturing Operations.
 - Implementation.
 - Budget.
 - Benefits.



Evaluation Process and Scoring

- Administrative Screening Criteria (Pass/Fail)
 - Application is received by the due date.
 - The applicant provides the required authorizations and certifications.
 - The applicant has not included a statement that is contrary to the required authorizations and certifications.
- Technical Screening Criteria (Pass/Fail)
 - Applicant is eligible to apply under this solicitation.
 - Proposed project is eligible in accordance with this solicitation.
 - Proposed project meets the minimum match share requirements.
- Technical Evaluation
 - Evaluation Committee.



Evaluation Process and Scoring

Criteria	Possible Points
Team Qualifications	10
Business Operations (min. 70% or 10.5 points)	15
Manufacturing Operations	30
Implementation	10
Budget	15
Benefits	20
Total Possible Points	100
Minimum Passing Score (70%)	70



Key Activities and Dates

ACTIVITY	ACTION DATE
Solicitation Release	December 19, 2018
Pre-Application Workshop*	January 9, 2019
Deadline for Written Questions by 5:00 p.m. PST*	January 10, 2019
Anticipated Distribution of Questions/Answers	January 16, 2019
Deadline to Submit Applications by 5:00 p.m. PST*	February 21, 2019
Anticipated Notice of Proposed Awards Posting	March 2019
Anticipated Energy Commission Business Meeting	May 2019

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