

Additional Questions, Answers, and Clarifications start on page 11.

**Original Questions, Answers, and Clarifications
Centers for Alternative Fuels and Advanced Vehicle Technology
PON-13-605**

Alternative and Renewable Fuel and Vehicle Technology Program
California Energy Commission
October 4, 2013

Available Funding	
Q.1	The solicitation lists a maximum grant of \$1,566,667. Is this for one year and one time only?
A.1	<i>The Energy Commission expects to make at least three awards of up to \$1,566,667 (\$4.7 million divided by three) each to be distributed among Northern, Central, and Southern California. The funds are to be spent within the grant agreement term, which will end on or before June 30, 2017. This is "one time" funding and will not be replenished.</i>
Eligible Applicants	
Q.2	The solicitation references that recipients of PIER funding may be rejected. Are past recipients of PIER funding eligible for funding under this solicitation?
A.2	<i>Recipients of PIER funding are eligible for funding under this solicitation; however, any recipient of PIER funding must be up-to-date with relevant royalty payment obligations.</i>
Q.3	Page 6, ELIGIBLE APPLICANTS reads, "This is an open solicitation for public and private entities." Is this a true statement? As I and others read further the notice implies that ONLY business need apply. Is this true? There are several California Community Colleges that would like to apply. Please confirm they, California Community Colleges, are eligible.
A.3	<i>This solicitation is open for both public and private entities. Yes, California Community Colleges may apply.</i>
Q.4	We would like to submit the application for our consortia of colleges and AFV businesses through our college Foundation if that is acceptable. We typically use the Foundation to administer the funds for the District when we partner with other colleges and businesses. Or should we apply through the College District. Currently, we have six campuses on board, several large vehicle fleets, other Alt Fuel agencies & clean air groups asking that we take the lead.
A.4	<i>The Foundation can apply as long as they agree to the terms and conditions.</i>
Q.5	The solicitation states that "To be eligible, Applicants must have a business presence in California" and goes on to state that registration is required. Is there any other requirement which must be met at the time of application to constitute a business presence in CA?
A.5	<i>No, there is no other requirement to show a business presence in California besides being registered and being in good standing with the California Secretary of State.</i>

Eligible Projects	
Q.6	Please clarify what is vehicle demonstration vs. vehicle technology development because the technology will go on the vehicle for testing and thus demonstration.
A.6	<i>Vehicle demonstration is defined as the demonstration of an existing fully functional vehicle. Vehicle technology development is defined as the development of a non-commercialized technology that will provide advancements in an eligible technology application as listed in the eligible projects section. Certainly a funded center, once constructed, may be utilized to promote the vehicle technology development and demonstration (excluding vehicle demonstration). However, costs for vehicle technology development or demonstration are not eligible as either a reimbursable or match share expenditure.</i>
Q.7	Can workforce development include both technicians and engineering students in four-year college and above including graduate students?
A.7	<i>Workforce development can include the training of both four-year college students and graduate students. Certainly a funded center, once constructed, may be utilized to support the development of alternative fuel workforce development efforts. However, costs for the direct workforce training and development activities are not eligible as either a reimbursable or match share expenditure.</i>
Q.8	Do facilities which produce CNG from landfill gas qualify under this solicitation?
A.8	<i>No, such facilities do not qualify under this solicitation; however, they may qualify under other Energy Commission solicitations. For information on active Energy Commission solicitations, please go to http://www.energy.ca.gov/contracts/.</i>
Q.9	Do facilities, which demonstrate the use of synthetic liquid fuels, qualify under this solicitation?
A.9	<i>No. Specific demonstration projects are not the intent of this solicitation and do not qualify.</i>
Q.10	Would an organization providing a cohesive platform for seeking and developing outside funds, whether from the private sector (such as venture capital) or public sector (such as federal and state funds) and none of the other potential services listed in the solicitation be eligible for funding under this solicitation?
A.10	<i>This appears to be an eligible project under the solicitation; however, the application will need to demonstrate how the project qualifies as one of the eligible project types.</i>
Q.11	Would the activities that incorporate the organization, management, registration, accounting and monetization of LCFS, RINS and other credits meet one of the criteria for eligibility?
A.11	<i>No. To be an eligible project, the proposed center must accomplish one or more of the items listed on page 6 of the solicitation.</i>
Q.12	Would a center focused primarily on establishing pathways for alternative fuel production be considered an eligible project under PON-13-605? Specifically the center would offer planning advice and guidance in the production of alternative fuels from waste-based conversion technologies; provide information and proven models for project planning and procurement; and provide research and advice related to funding, permitting, and CEQA. If this is not the right solicitation for this type of center, does CEC anticipate issuing a solicitation at a later date that would be a more appropriate fit?
A.12	<i>An eligible center may include activities relating to the promotion of information relating to alternative fuel production technologies and permitting guidance. Please refer to the Eligible Projects section for additional information on eligible expenditures.</i>

Q.13	We are interested in a funding program that provides incentives for building/expanding biodiesel fueling system, and want to see if our project qualifies under CEC's PON-13-605. We were using B99.9 biodiesel in our operation using the underground storage tank (UST). However, the 2009 State Water Board emergency UST regulation forced us to remove B99.9 from the UST. To continue the biodiesel program, we rent a tanker truck from fuel supplier and use it for storing B99.9 on property. The constraint of using tanker truck is that we have to reduce biodiesel use by about 25%. We were hoping the tanker truck is a temporary solution but after near 5 years we feel that our best solution would be to upgrade the existing UST and associated fueling system to meet B99.9 UST requirement. Do you see a fit of our project to the PON-13-605?
A.13	<i>No. Specific construction/installation of fueling system projects are not the intent of this solicitation and do not qualify.</i>
Q.14	On page 6 of the solicitation under Eligibility Projects, I read the fourth bullet, a positive training delivery phrase, "integrate vehicle technology development with workforce training efforts." Two bullets down, there is another positive training delivery phrase, "serve multiple functions to support and promote local and regional alternative fuel vehicles, which may include demonstration, maintenance and/or technical training/educational services associated with multiple alternative fuels, fueling systems and/or vehicle technologies." However, on page 7 of the solicitation under NOT eligible for reimbursement is this statement, "Costs to provide/produce maintenance training (such as stocking fees for tools)." Do these statements mean that curricula development (which might mean "producing maintenance training") is prohibited but training delivery is permitted?
A.14	<i>The Eligible Projects section on page 6 describes activities that may occur in the proposed center. Page 7 states eligible expenditures (reimbursable under this solicitation and the resulting agreement). Curricula development for training purposes is not an eligible expense under this solicitation.</i>
Q.15	<p>Are these hypothetical examples allowable expenditures?</p> <ol style="list-style-type: none"> 1. We have been awarded the CEC Grant for Southern California Region. Our Center receives a request for training incumbent workforce from the multiple transit agencies. In our grant application, we clearly identify possible training delivery dates over the course of the grant life. This is an extra training request. We perform the training for 2,000 technicians in the Region on compressed natural gas, fuel metering systems, diagnostics, and cylinder inspection over 24 months. 2. An automaker introduces a new TDI automobile. The automaker leadership contacts our Center and request faculty train-the-trainer development on the new TDI system. Our Center agrees, we create faculty training-the-trainer TDI classes; we deliver faculty in-service training to 250 community college faculty, 50 high school faculty, and 300-industry faculty on the new GDI class curriculum. 3. As indicated in the RFA, we expand the number of community colleges and industries that are partners in this grant by 10 more campuses, and 200 industry partners. <ol style="list-style-type: none"> a. Our centers offer training to the 10 campuses that have recently joined the collaborative. We offer in-service training to assist their 75 faculty in compressed natural gas technology, fuel metering technology, EVITP training, electric vehicle training, and hybrid training, over a 10-month period.

	<p>b. Our centers offer 200 partner lead technicians beginning, intermediate, and advanced compressed natural gas technology training, DVOM training, EVITP training, heavy hybrid vehicle training over 20 months.</p> <p>4. Automakers introduce new generation clean diesel passenger cars for the California market. Very few college programs train technicians in diesel, and those that do are mostly focused on large (truck) diesel engines. College auto faculty and automakers agree that addition of small diesel engine repair and maintenance would be mutually beneficial. Could grant funds be used for 1) developing a curriculum, 2) piloting the curriculum at a number of test colleges, and 3) purchasing tools and equipment for colleges so that the curriculum could be included as an integral part of automotive programs?</p>
A.15	<i>All the examples provided here involve costs associated with training, which are not allowable reimbursable or match share expenditures under this solicitation. Project activities that may occur in the proposed center need to be funded through other funding sources. The funds under this solicitation are intended to be used to develop, construct, expand, rent/lease, and/or operate a physical or a virtual center itself. Please also refer to the Purpose of Solicitation section on page 1 of the solicitation.</i>
Q.16	Will fueling infrastructure upgrades as a part of the center, such as upgrading from natural gas to biogas, be eligible for funding?
A.16	<i>No. Upgrading fueling infrastructure is not an eligible project.</i>
Q.17	Are fueling upgrades, which the center's primary focus is on, eligible within this PON?
A.17	<i>No. Upgrading fueling infrastructure is not an eligible project.</i>
Q.18	Could a center be located at an existing fueling station (for one of the fuels specified on Page 7 of the PON)?
A.18	<i>A center can be located anywhere as long as the project meets the eligibility requirements.</i>
Q.19	Is any part of the center allowed to have demonstration of the fueling infrastructure or are no demonstrations eligible?
A.19	<i>The purpose of the solicitation is to provide funding to establish physical or virtual centers to educate the public and provide support and promote alternative fuels and advanced vehicle technology. Certainly a funded center, once constructed, may be utilized to demonstrate alternative fuel infrastructure. However, costs for fueling infrastructure demonstrations are not eligible as either a reimbursable or match share expenditure.</i>
Q.20	Could "center" be considered tours of existing alternative fueling infrastructures, making the technologies available and known?
A.20	<i>No. The purpose of the solicitation is to provide funding to establish physical or virtual centers to educate the public and provide support and promote alternative fuels and advanced vehicle technology. Certainly a funded center, once constructed, may be utilized to coordinate tours of existing alternative fuel infrastructure. However, costs associated with coordinating and conducting the tours are not eligible as either a reimbursable or match share expenditure.</i>
Q.21	Could you define "Center" for the solicitation? We were looking to apply to the solicitation for an upgrade to an alternative fuel of an existing fueling station, and we wanted to ensure it would meet the definition of "center."
A.21	<i>A center is a physical or a virtual facility to carry out activities that are listed under the Eligible Projects section on page 6 of the solicitation. An upgrade to an alternative fuel of an existing fueling station does not qualify for this solicitation.</i>

Q.22	Must the center be available to the community at all times?
A.22	<i>No, it is up to the applicant to determine the availability of the proposed center. The applicant must justify the accessibility of the center and the benefits that can be accrued from its operation.</i>
Eligible Expenditures	
Q.23	Can you clarify what you mean on page 1 of the solicitation where you say: "Applicants are responsible for securing funding for the various activities that may occur in the center." Can you provide more examples of how these "activities" differ from CEC-funded activities, such as "development, construction, expansion, renting/leasing, and/or operation of a center serving the multiple functions described"?
A.23	<i>Only expenditures associated with development, construction, expansion, rent/lease, and/or operation of the proposed center itself are eligible under this solicitation. For example, construction, personnel costs or contracting costs for the proposed center are allowed expenses, but costs associated with trainings, demonstrations, regional planning, etc. are not allowed expenses and expenses associated with these activities cannot be reimbursed or counted towards match share. Please refer to the list of non-eligible expenditures in the Eligible Projects section.</i>
Q.24	Are salaries for Applicant personnel eligible for CEC funding?
A.24	<i>Yes, as long as the personnel costs are associated with developing, constructing, expanding, renting/leasing, and/or operation of the proposed center itself. Personnel costs or any other costs that are associated with the activities, functions, programs, etc that may occur in the center are not eligible. Please see page 7 of the solicitation.</i>
Partnership Requirements	
Q.25	On page 8 of the solicitation for partnership requirements, how would the commission differentiate between "plan to recruit key partners" and "listing expected partners?"
A.25	<i>If an applicant has not recruited any key partners when submitting an application, we would like to see the applicant's plan on how they will bring key partners in for the project and a list of partners that the applicant is expecting to recruit. If an applicant already has some of the key partners recruited when submitting an application, then we would like to see the list of existing partnerships along with the list of expected partners and a plan to recruit those partners.</i>
Q.26	Please clarify item #2 of project eligibility (page 6 of the solicitation, under the heading "Eligible Projects"), which reads "...2) support two or more local agencies and businesses within the region;..." Does this mean that the applicant must have at least one partner, and both the applicant and the partner must be a local agency or business that will be supported by the Center, or does it mean something different?
A.26	<i>Supported agencies or businesses do not necessarily need to be partners. However, applicants need to comply with the partnership requirements on page 8 of the solicitation.</i>
Q.27	How should applicants engage private industry for this solicitation?
A.27	<i>It is up to the applicant to determine how best to engage with private industry stakeholders on their proposed center.</i>
Q.28	Many relevant centers have already been started using other funding. Has the Energy Commission explored or documented these centers?
A.28	<i>The Energy Commission has not documented existing centers in this solicitation.</i>

Q.29	When you say that an eligible applicant must “support two or more local agencies and businesses within the region,” do you mean that an Applicant must identify these agencies/businesses in the proposal?
A.29	<i>Yes. Please see the Project Narrative section in Addendum #2 that will be issued to the solicitation to clarify this requirement.</i>
Q.30	Would these agencies qualify as project partners under the standard CEC definition?
A.30	Yes.
Q.31	Could these agencies qualify as project subcontractors under the standard CEC definition (i.e., could they receive CEC funds for work that they do in the proposed projects)? In this scenario, the agency would both receive support from the Applicant AND provide services in support of the greater project.
A.31	Yes.
Match Share Requirements	
Q.32	The solicitation states that money from other state agencies cannot be used as match funding. Does this include money from community colleges and universities?
A.32	<u>The Match Funding Requirements section has been amended. Please refer to the Addendum #4 for the change.</u> California public colleges and universities including the California Community Colleges, California State Universities, Universities of California, or other entities that are funded from state sources can count their own funds contributed to the project as match but not the funds from other California state agency sources. For example, a state-funded university that has received a grant from another state agency for related work can use its own funds as match but not the funds from the grant. Addendum #2 will be issued to the solicitation to reflect this clarification.
Q.33	Can centers fund demonstration programs and count the costs as match?
A.33	<i>No. The costs of demonstration projects cannot be counted as match share. Eligible expenditures (both reimbursable and match share) are stated on Page 7 of the solicitation.</i>
Q.34	Can relevant new projects which are already in development or soon to be in development be listed as match share?
A.34	<i>Match share expenditures must be eligible in accordance with solicitation requirements (see Page 7). In addition, match share expenditures must be incurred after the Energy Commission notifies the applicant that its project has been proposed for an award through the release of a Notice of Proposed Awards (NOPA) and before the agreement term ends. Match expenditures incurred prior to the approval and signing of an agreement are made at the applicant’s own risk. The Energy Commission is not liable for Applicant’s match share costs if the grant is not approved, if approval is delayed, or if the match share expenditure is not allowable under the terms and conditions of the grant or this solicitation. Expenditures incurred prior to the issuance of the NOPA are not eligible.</i>
Q.35	Is there preference given to cash instead of in-kind match, or are these considered equal for this solicitation?
A.35	<i>All eligible match share, regardless of the type, is considered equal for this solicitation.</i>
Q.36	Will the agreements require that match funds be spent during the term of the agreement?
A.36	<i>Match share expenditures must be incurred after the Energy Commission notifies the applicant that its project has been proposed for an award through the release of a Notice of Proposed Awards (NOPA) and before the agreement term ends. Match expenditures incurred prior to the approval and signing of an agreement are made at the applicant’s own risk.</i>

Q.37	Are depreciated expenses from existing facilities eligible as match share?
A.37	<i>Yes. However, these expenses must be documented. Also, the expenses must be eligible expenditures (page 7 of the solicitation). Please see the Match Funding Requirements section on page 8 of the solicitation for more information on in-kind contributions.</i>
Q.38	Is there a requirement that the match align with the CEC funding reimbursement schedule? For example, if \$10,000 CEC funding comes in January of FY 2015; does \$10,000 in match funding need to come in for January of FY 2015?
A.38	<i>To the greatest extent possible, match share and reimbursable expenditures should be incurred at a consistent rate. However, reasonable and explainable variances to expenditure rates may be allowed as long as the project is expected to successfully complete.</i>
Q.39	Can you clarify the restrictions related to matching funds on demonstrations and other projects? Can federal funds be used as matching? Can local government funds be used as matching? And are there restrictions related to when federal funds can and cannot be used as matching funds?
A.39	<i>Match funds cannot be used on demonstrations or any activities other than the development, construction, expansion, rent/lease, and/or operation of a center. Match funds need to be for eligible expenditures.</i> <i>Yes, federal funds and local government funds can be used as match funds for eligible expenditures. Both must comply with the requirements listed for match funding expenditures.</i>
Q.40	We are trying to determine if our investment or our partner's investment in technology demonstrations occurring concurrently with CEC funding is allowable for cost share purposes?
A.40	<i>Investments in technology demonstrations are not allowable match share under this solicitation.</i>
Q.41	Please clarify if cash and in-kind contributions provided by a California county or municipality, as an applicant or partner to an applicant, are allowable sources of match funding for this solicitation.
A.41	<i>Yes.</i>
Required Documents	
Q.42	Please clarify the need for a continued funding plan.
A.42	<i>The application must demonstrate the viability of continued operation of the Center for at least five years. We would like to know how the center will continue operating after the Energy Commission funded portion of the project is completed.</i>
Q.43	The solicitation requires a narrative of goals and objectives. Are measures such as facilitating licensing deals, facilitating pilot projects, or facilitating partnerships appropriate?
A.43	<i>Yes, those measures are appropriate.</i>
Due Dates	
Q.44	Do all funds have to be budgeted by the deadline? For example, can staffing expenses from state funds be budgeted through 2020 and can match partners commit to contributing to the project annually through 2020 and still count the entire amount toward match?
A.44	<i>All Energy Commission funds and match funds under the project must be expended prior to the end of the agreement which will be on or before June 30, 2017.</i>

Q.45	"Schedule of Products and Due Dates" on Page 12 of the solicitation states "All work must be scheduled for completion by June 30, 2017." But the solicitation also states that applicants should prove ongoing viability for five years (page 20). Does that mean that state funds used for ongoing staffing budgets and operating expenses need to be fully consumed by 6/30/2017? Also, does all match funding have to be consumed by that deadline?
A.45	<i>Yes. The proposed project must be completed and all reimbursable and match share expenses must be expended by June 30, 2017. Project proposals must demonstrate and document how the center will continue operating after the Energy Commission funded portion of the project is completed, including expected sources of funding for continued operations.</i>
Q.46	The solicitation calls for a budget that looks at a five-year horizon, but requires that all funds must be spent within three years. Can you clarify when the funding by the CEC needs to be spent and when the matching dollars/in-kind match needs to be spent?
A.46	<i>All Energy Commission funds and match funds under the project would need to be expended prior to the end of the agreement which will be on or before June 30, 2017. The budget forms (Attachment 05) will need to be for expenses within the agreement term. The solicitation states "Provide a cash-flow projection for the center for the first five years over the duration of the project with assumptions/barriers... to secure capital to ensure project success." (Page 12) We are asking applicants to provide information to assure that the center will continue for at least five years.</i>
Evaluation Process and Criteria	
Q.47	Are there more points awarded to projects proposed in areas (as specified on page 2 of the solicitation) with fewer alternative fuels and advanced vehicle technologies availability?
A.47	<i>There is not a specific evaluation criterion for a project being located in a region with fewer alternative fuels and advanced vehicle technologies availability. However, if your project demonstrates that "the proposed project location enhances the project's ability to achieve the identified goals and objectives of the project including the expected economic/regional benefits described in the application," then more points will be awarded under the Project Implementation criterion.</i>
Miscellaneous	
Q.48	Does this solicitation use state or federal funds?
A.48	<i>This solicitation uses state funds.</i>
Q.49	Is there a cap or regulation on indirect overhead rates?
A.49	<i>In general, no. However, overhead rates must be allowable, reasonable, documented, and justified. In addition, the terms and conditions negotiated with the University of California include a cap on overhead that must be used by UC entities.</i>
Q.50	You previously stated awardees would have three years to spend this funding. Doesn't this funding typically have a four-year liquidation period?
A.50	<i>Yes. However, the solicitation requires proposed projects to demonstrate completion by June 30, 2017.</i>
Q.51	Can you provide some examples of "existing centers" throughout California referenced on page 1?
A.51	<i>Potential applicants are encouraged to seek out existing centers to potentially leverage existing resources and ensure their proposed projects do not duplicate centers already in existence. The Energy Commission has not provided examples of existing centers to avoid the possibility of providing an unfair advantage to one or more applicants under this solicitation.</i>

Q.52	As concurred during the workshop, numerous proposals toward AB 118 programmatic funding in the past few years have sought to establish various versions of an “energy center”, and to my knowledge none has succeeded. Indeed, some have been disqualified from competition as not being responsive to the open solicitation. When queried during the workshop regarding these prior disqualified submissions, staff indicated that it was not within the Commission’s authority to notify specific entities to urge their participation. Is this response based on formal legal restrictions, or is it within the Commission’s authority during or prior to a specific solicitation to reach out to prior proposing entities? If this focused outreach needed to have occurred prior to the release of PON-13-605, was this step accomplished?
A.52	<i>The Energy Commission utilizes established notification procedures to alert the public on availability of funding through email listservers and posting of solicitation documents on the Energy Commission’s website.</i>
Q.53	The opportunity notice recognizes the benefit to California of public-private partnerships, and states that proposals to this solicitation may be submitted by either public or private parties. Staff answers to questions during the workshop quite clearly indicate a predilection for institutional submissions. When asked how the Commission envisioned private participation, staff responded that letters of commitment from private companies would strengthen institutional or agency proposals. If the Commission indeed envisions the result of the funding differently than is expressed in the solicitation, this needs immediate clarification. Will the Commission release a clarification to PON-13-605 addressing this disparity, that indeed a preference exists for proposals from institutions and municipalities, and that such proposing entities should seek private technology company engagement as evidenced by letters of commitment?
A.53	<i>The Energy Commission does not have a preference for either public or private entities for this solicitation. If an applicant (whether public or private) wishes to engage public or private participation, then the Energy Commission requests the applicant to submit letters of support/commitment. Please note that it is one of the requirements under this solicitation for an eligible project to support two or more local agencies and businesses within the project region. Also, letters of support/commitment from key project partners are required (see page 13 of the solicitation).</i>
Q.54	What differentiates a virtual center from a brick-and-mortar one?
A.54	<i>A virtual center is a web-based center with or without a physical facility.</i>
Q.55	Is there a CEC preference for brick-and-mortar vs. virtual centers?
A.55	<i>No.</i>
Q.56	Does CEC visualize that this funding program would be available again beyond the two year program period as part of the Investment Plan?
A.56	<i>Future funding availability for Centers for Alternative Fuels is not currently known.</i>
Q.57	Please define “neutral sites” as discussed under eligible projects, bullet number 2.
A.57	<i>A neutral site means that the site does not benefit a specific company.</i>
Q.58	Please clarify the “regional and local planning for development” as discussed under eligible projects, bullet 6.
A.58	<i>A center could provide a central location to develop local and/or regional plans for development and deployment of alternative fuels, fueling infrastructure, or alternative fueled vehicles. Please see “Regional Alternative Fuel Readiness and Planning” section of the Investment Plan for examples, http://www.energy.ca.gov/2012-ALT-2/documents/.</i>
Q.59	Are the slides available online?
A.59	<i>Yes, the slides are posted at: http://www.energy.ca.gov/contracts/transportation.html#PON-13-605</i>

Q.60	Will CEC make the list of attendees at the September 6 Pre-Application Workshop available?
A.60	<i>Yes, the attendee list is posted at: http://www.energy.ca.gov/contracts/transportation.html#PON-13-605</i>
Q.61	Will CEC make the WebEx recording of the September 6 Pre-Application Workshop available for viewing?
A.61	<i>Yes, the WebEx recording is posted at: http://www.energy.ca.gov/contracts/transportation.html#PON-13-605</i>
Q.62	Is there any way to meet with CEC personnel prior to or following the pre-application workshop on September 6th to discuss a specific project?
A.62	<i>No. Questions and clarifications on the solicitation must have been submitted at the pre-application workshop or in writing by September 9, 2013.</i>
Q.63	What are your Pre Qualifications for Bidding on this project and do you have an Innovative Design Eligibility Opening where a Design could be submitted on that premise to compete?
A.63	<i>The solicitation is not designed to prequalify projects or applicants. To compete for funding, applicants must provide full applications on or before the deadline contained in the solicitation.</i>

**Additional Questions, Answers, and Clarifications
Centers for Alternative Fuels and Advanced Vehicle Technology
PON-13-605**

Alternative and Renewable Fuel and Vehicle Technology Program
California Energy Commission
October 29, 2013

Eligible Projects	
Q.1	Under “Eligibility,” CEC details eligibility criteria, including a series of activities that are all programmatic in nature. However, CEC restricts from funding or match valuation any of these activities, meaning that while it is required that an applicant meet a series of eligibility guidelines that require programmatic expenditure, none of those expenditures are reimbursable by CEC or countable as a match activity. Why does an applicant have to meet these eligibility guidelines if, in doing so, it cannot capture even match value?
A.1	<i>The purpose of this solicitation is to fund the establishment of the physical or virtual alternative fuel center and not the activities that will ultimately occur at the center. The “Eligibility” section of the solicitation provides examples of appropriate activities that are in line with the goals of the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). This solicitation can only fund centers that will help increase the use of alternative fuels and alternative fuel vehicles in California.</i>
Q.2	The solicitation says that a virtual center would be eligible. However, it should be assumed that such a virtual center would only support programmatic activities; otherwise there would be no function for a virtual center. However, these programmatic activities are restricted from funding or match value. Please describe how an applicant could propose a virtual center but not include programs, outreach and other activities as value, as the very nature of a virtual Center would be to deliver programs.
A.2	<i>In case of a virtual center, an applicant could request funds for costs associated with development of the center, such as but are not limited to, programming costs for building a web portal, server fees, etc.</i>
Q.3	Does the center have to address multiple fuels? Or can it be focused on a single fuel/vehicle type?
A.3	<i>Centers may focus on one or more alternative fuel/vehicle technology type.</i>
Q.4	Under the Eligible Projects section, Bullet #2, define “collaborate on technology demonstrations.” Does large scale technology roll-out qualify as “technology demonstration?”
A.4	<i>This bulleted item #2 means that a center would provide a neutral site, which does not benefit a specific company, for individual companies to collaborate on demonstrating an existing fully functional technology. Rolling out technology sounds to be deployment rather than demonstration.</i>
Q.5	Must “local and regional planning” include participation from public agencies? Could this include “local and regional planning” on the part of private companies with a substantial presence in a locale or region?
A.5	<i>No, “local and regional planning” does not necessarily need to include participation from public agencies; it could include participation from private companies in the region.</i>

Eligible Expenditures	
Q.6	<p>For this submittal, we plan to use existing indoor training/lab facilities, but we plan to use the CEC funds to develop additional outdoor display/exhibit/showcase facilities adjacent to the indoor facilities.</p> <p>We are wondering if these three potential costs are eligible for the CEC funds as a small part of the overall project:</p> <ol style="list-style-type: none"> 1) At outdoor exhibit locations, the costs of laying additional underground conduit for future "heavier" electrical loads for associated e.g. EV chargers and demo H2 electrolyzes (for example) beyond the conduit needed for the outdoor display lighting and A/V capability. Not for the electric vehicle supply equipment (EVSE) or the conductor wires, but just some extra underground conduit while everything is dug up so as to be "stubbed in" for additional electrical loads to be added later. 2) Costs of putting in 220-v wiring at test-bed locations, again to eventually support the addition of EVSE but possibly other high-power equipment. Again not the EVSE chargers themselves, just the wiring leading up to where they might be installed. 3) Costs associated with placing a showcase "smart electric bike share" rack and exhibit near one of the outdoor displays, for showcasing to visitors at the lower end of the range of size of alt-fuel vehicles/tech. There are three cost elements that would be for a small % of the overall project -- please let us know if any/all are eligible: 1) the cost of procuring the "smart electric bike rack"; 2) costs of procuring a few test e-bikes to showcase the system; 3) costs of electrical work to power the site.
A.6	<p><i>Examples 1 and 2 are eligible costs.</i></p> <p><i>Example 3 is not an eligible cost. Costs associated with actual demonstration are not eligible under this solicitation.</i></p>
Q.7	<ol style="list-style-type: none"> 1) According to the Addendum #2, posted October 4, funding from this solicitation may not be utilized to fund the various activities that may occur in the center such as production training, carry out regional planning activities, or demonstrate alternative fueled vehicles demonstrations. The scoring of our proposal, according to the criteria in the solicitation, and in fact the success of the Center itself, hinges greatly on these and other important activities being allowed for funding. As the ultimate purpose of the Center is to eventually implement such activities, how do we propose to effectively fund these activities within the grant period? 2) In order to effectively implement our Center, it is important that we both plan and fund activities. As the Addendum does not allow for match to be used for activities, how do we and our partners plan and carry out the essential activities in this project under the grant, with the changes released on October 4?
A.7	<p><i>The Addendum #2 did not change the eligible expenditure requirements set forth in the original solicitation. The Addendum #2 was issued to clarify the requirements as the Energy Commission received numerous questions that indicated confusion especially regarding eligible expenditures.</i></p> <ol style="list-style-type: none"> 1) <i>Applicants do not need to start those activities within the agreement period. However, Applicants must complete the work that will be funded by these</i>

	<p><i>solicitation funds or by the match funds within the agreement period.</i></p> <p><i>Proposals may count benefits of eligible project activities through 2020 when calculating benefits of the proposed center.</i></p> <p>2) <i>The funds under this solicitation or the match funds are intended to be used to develop, construct, expand, rent/lease, and/or operate a physical or a virtual center itself. Other ARFVTP solicitations may be available to provide funding opportunities for activities that may occur in the proposed center. Other federal and state agencies may also provide various funding for these types of activities.</i></p> <p><i>The activities that will be carried out to achieve the main objectives of the proposed center will typically not be part of the scope of work of the application as those activities will not be funded either by the solicitation funds or the match funds.</i></p>
Q.8	Can CEC funds be used to promote technology, such as ride and drives, technology showcases, etc. that do not involve vehicle demonstration, as previously defined by the CEC?
A.8	No.
Q.9	Can new or innovative testing or standards setting of electric vehicle charging equipment and infrastructure be reimbursed by the CEC as part of this proposal?
A.9	No.
Q.10	<p>Under “Purpose of this Solicitation”, you describe a series of purposes for a Center that are programmatic in nature, including “collaboration,” “identifying strategic opportunities for local agencies and companies to develop and demonstrate advanced technology vehicles, providing a neutral site for individual companies to collaborate on technology demonstrations, centralizing the attention of fleet managers interested in alternative fuels and advanced vehicles, and integrating vehicle technology as it is developed with workforce training efforts.” (Page 1)</p> <p>The solicitation then immediately goes on to eliminate any CEC funding and restrict even match funding from any of those activities described as the very purpose of the solicitation. How are the well-defined purposes of the solicitation advanced if all of those purposes are then eliminated from funding or eligible for match? (Page 1)</p>
A.10	<p><i>The purpose of the solicitation is to provide funding to establish physical or virtual centers. The funds under this solicitation or the match funds are intended to be used to develop, construct, expand, rent/lease, and/or operate a physical or a virtual center itself. Other funding sources must be planned for and utilized for activities such as alternative fueling infrastructure, maintenance or production training, regional planning activities, or alternative fueled vehicles demonstrations.</i></p> <p><i>Section III.C.5 of the solicitation asks Applicants to describe the activities and functions that will occur at the proposed center and how they will be funded. Since this is expected to be one-time funding, the Energy Commission is seeking to provide the necessary capital funding to establish a center and expects Applicants to develop and implement strategies to fund activities at the center to ensure the long-term sustainability and success of the project without relying on funding from this solicitation.</i></p>

Q.11	In Paragraph 3 under “Purposes of Solicitation” it is stated that “the intent of the Energy Commission that funds for this solicitation be used for development, construction, expansion, renting/leasing, and/or operation of a center serving the multiple functions described above.” However, immediately after this sentence is the statement that “funding from this solicitation may not be utilized to fund the various activities that may occur in the center.” Please describe how a Center could seek funding from operations and yet not fund any of the various activities of the Center? (Page 1)
A.11	<i>Eligible costs of operating the proposed center only include the operation costs of the center itself (day-to-day administrative operation such as rent, utilities, and staff costs necessary to operate the center). The various activities occurring in the proposed center (e.g., meetings, conferences, symposia, education, outreach, alternative fuel and vehicle showcases/demonstrations, etc.) must be planned for and funded through other available funding sources.</i>
Q.12	Please provide a detailed and clear explanation of the meaning of the word “development” as an allowable activity. Does the CEC include organizational development, strategic planning for the Center, and other activities that support operations of a Center? Please be very clear as to what constitutes or does not constitute “development” of a Center as applicable for CEC funding or match eligibility.
A.12	<i>“Development” is defined as physical or virtual establishment of the proposed center. Any costs that are associated with development/establishment of a physical or a virtual center itself are allowable. Organizational development and other activities related to day-to-day administrative operations of the proposed center are considered reimbursable activities.</i> <i>However, strategic planning for the Center is not considered as an eligible activity as the applicant should already have a plan for the proposed center’s objectives and directions.</i>
Q.13	Please provide a detailed explanation of the meaning of “operation” of a center as an allowable activity. Does the CEC mean to include normal operating expenses of an organization, such as salaries of an Executive Director, management, and staff? Do operations include technical consultants? Do operations include marketing, branding, website development, communications, meetings, and strategic planning? Do operations include bookkeeping, administrative support, audits and other standard costs of operations of an organization?
A.13	<i>“Operation” of a center means day-to-day administrative operations of the proposed center.</i> <i>Yes, the normal operating expenses of an organization that is operating the proposed center are allowable expenses as long as they are incurred within the agreement term. Costs of technical consultants that will be used to develop, construct, expand, rent/lease, and/or operate the center are allowable expenses.</i> <i>Costs of technical consultants used to carry out other activities that may occur in the center are not eligible.</i> <i>Operations may include marketing, branding, website development, communications, or meetings (operation related meetings only) if they are not related to the activities that may occur in the center once developed. Operations may also include bookkeeping, administrative support, audits, and other standard costs of operations of an organization that is operating the center. Strategic planning for the Center is not considered as an eligible activity as the applicant should already have a plan for the proposed center’s objectives and directions.</i>

Q.14	Please describe clearly the distinction as understood by CEC between allowable “operations” costs and disallowed program delivery costs. In most organizational types like this, a substantial portion of an Executive Director, staff, administrators, and technical consultants will actually be spent on the delivery of programs. How can an applicant fund operations if it includes staff, but eliminate programmatic activity from both CEC eligibility AND match funding eligibility (effectively making the value of any delivery of services to Center customers uncountable even toward match).
A.14	<i>The intent of the Energy Commission is for the proposed centers to use other funding sources for delivering programs, such as technology demonstrations, workforce training efforts, etc. Applicants should describe in their proposals their plans to secure and provide funding for the activities in the proposed center.</i>
Q.15	On page 7, by stating “Personnel costs for technology specialists, engineers, planners, managers, etc.” as eligible, does CEC mean that these positions can be funded throughout the time period of the Center, and not just in support of the construction of a Center?
A.15	<i>The costs must be associated with developing, constructing, expanding, renting/leasing, and/or operation of a center. For example, if personnel costs were used for necessary maintenance of a web portal, in the case of a virtual center, then the costs are eligible. If those personnel costs are used for activities that may occur in the center, then the costs are not eligible.</i>
Q.16	If so, why is the value that these positions will be creating (programmatically), not eligible funding or even match value? For example, if a Specialist for a Center is in fact spending the majority of his/her time providing services, outreach, education, technology demonstration, evaluation or any other activity (as one would hope they were doing), is the personnel cost for that Specialist still a qualifying cost? Or does it become disqualified once the Specialist begins to actually provide a service, in which case these positions can’t actually deliver services and still remain eligible costs.
A.16	<p><i>Only the costs that are associated with developing, constructing, expanding, renting/leasing, and/or operation of a center are eligible.</i></p> <p><i>If there are positions that work on the day-to-day administrative operation of the proposed center AND on the activities that occur in the center, then those personnel costs need to be broken down, and only applicable and eligible portion of the costs can be reported as reimbursable or match share costs.</i></p> <p><i>The intent of this solicitation is to establish the physical or virtual center. The Energy Commission expects Applicants to have strategic funding plans to ensure the success and sustainability of the proposed center without the need to rely on funding from this solicitation for those purposes.</i></p>
Q.17	<p>The word “demonstration” is used throughout the solicitation. Please define. Would broad commercial deployment of what is currently a non-commercial ARFV technology be considered a “demonstration”? For example:</p> <p>Section I, page 1, bullet 1: A center should serve functions such as “Identifying strategic opportunities for local agencies and companies to develop and demonstrate advanced technology vehicles”. This suggests that ARFV demonstrations are a function that should be pursued by a center. However, in Section II, page 7, under project types that ARE NOT ELIGIBLE for funding, “vehicle demonstrations” are listed. We understand that procurement of vehicles for demonstration is not eligible, but would the development of services, resources and new technologies to promote the procurement of ARFVs be an eligible cost under the grant?</p>

A.17	<p><i>Demonstration is defined as the demonstration of existing fully functional vehicles/technologies. What you are describing seems to be “deployment” rather than “demonstration.”</i></p> <p><i>Centers absolutely can and should serve functions for alternative fuel vehicle/technology demonstrations/deployment. However, funds under this solicitation can only reimburse the costs that are associated with developing, constructing, expanding, renting/leasing, and/or operation of a center are eligible. Therefore, the costs of development of services, resources and new technologies to promote the procurement of ARFVs are not eligible costs either as reimbursable or match share expenditures.</i></p>
Match Share Requirements	
Q.18	Can match funds be secured after submission and be applied in lieu of previously promised in-kind funds through the duration of the CEC funding?
A.18	<i>Yes, however the Energy Commission must approve all match funding changes.</i>
Q.19	Can match funding begin accruing on the date that the Notice of Proposed Awards is posted (expected Dec. 2013), ahead of the anticipated agreement start date?
A.19	<i>Match share expenditures must be incurred after the Energy Commission notifies the applicant that its project has been proposed for an award through the release of a Notice of Proposed Awards (NOPA) and before the agreement term ends. Match expenditures incurred prior to the approval and signing of an agreement are made at the applicant’s own risk.</i>
Q.20	Can the cost share be distributed over the expected duration of the center (CEC wants a plan for 5 years) or must it be accrued during the project contract period (for example 2-3 years)?
A.20	<i>Match share expenditures must be incurred after the Energy Commission notifies the applicant that its project has been proposed for an award through the release of a NOPA and before the project agreement period ends.</i>
Q.21	Do University of California facilities/rent count as cost share (a similar question was brought up regarding the CA community colleges)?
A.21	Yes.
Required Documents	
Q.22	If in-house staff time is being spent on general and administrative duties, is it preferred that this time be allocated in the General & Administrative category of the budget or broken up into direct labor, fringe, and indirect costs?
A.22	<i>Labor costs should be identified as labor costs. Please see the instructions tab in the Attachment 05 Budget Forms for more details.</i>
Q.23	In Project Narrative (page 13) it is requested that a description and quantification of how the proposed center will help demonstrate alternative fueling and alternative fueled vehicles. (Page 13, #19). However, these activities are specifically restricted from funding or being valued as match activity. Why?
A.23	<i>The solicitation is requesting this information to ensure that the proposed centers are established to achieve goals that are in line with the goals of the ARFVTP.</i>
Q.24	Section C, bullet 1 – Provide “a list of local agencies and businesses within the project region that will be supported by the proposed center”. Does this mean a list of agencies and businesses that prospectively may be served by the Center, or does it mean only those who have written support letters stating their interest in being served? How does this list relate to the list described in bullet 8 of the same section?

A.24	<p><i>Supported agencies and businesses do not necessarily need to be key partners. This bulleted item is requesting the applicants to provide the evidence that the proposed project will “support two or more local agencies and businesses within the region” as described in the Eligible Projects section of the solicitation.</i></p> <p><i>Bullet 8 under the Project Narrative section is requesting information to meet the Partnership Requirements (page 8). Applicants are required to submit letters of commitment from key project partners (Please see G. Letters of Support/Commitment under the Organize Your Application As Follows section).</i></p>
Evaluation Process and Criteria	
Q.25	Given the grant is primarily focused on outreach, coordination, and collaboration, what are examples of metrics that can be used to improve public health and ambient air quality and reduce greenhouse gas emissions that are directly related to these aforementioned activities in the Center?
A.25	<i>Examples could include, but are not limited to, estimated increase in the use of alternative fuels, increase in the use of alternative vehicles, etc. in the region.</i>
Q.26	Please describe how scoring can be based on the delivery of services to customers but not be allowable for CEC funding or as matching funds? In other words, how can the CEC score an application based on successful delivery of services and outputs including GHG reduction, when the activities that would support the delivery of services and outputs can't be funded by the CEC or even counted as match?
A.26	<i>The evaluation criteria were developed to ensure that the proposed centers are established to achieve goals that are in line with the goals of the ARFVTP.</i>
Miscellaneous	
Q.27	<p>Is there a limitation on the overhead cost for California State University? The UC is specified at 25%. Is it correct then that the difference from the federally approved overhead becomes unrecovered overhead and can be used as cost share?</p> <p>Can you please clarify these points: the limits and using overhead as cost share for CSU.</p>
A.27	<p><i>There are no overhead rate limits for California State Universities. The UC has a pre-negotiated overhead rate with the Energy Commission. Actual, unrecovered overhead can be used as cost share.</i></p> <p><i>All overhead charges must be documented, allowable and allocable to the proposed project. Please refer to Attachment 07 Exhibit C, ARFVTP Terms and Conditions (Section 17-f, page 15) for more details.</i></p>
Q.28	We are a General freight trucking company, we operate 5 CNG class 8 trucks, is there any funding to assist us with an on premise compressor station? Or expiring CNG tank replacements?
A.28	<i>Your project does not qualify under this solicitation; however, it may qualify under other Energy Commission solicitations. For information on active Energy Commission solicitations, please go to http://www.energy.ca.gov/contracts/.</i>
Q.29	If existing space is used and there are simply interior improvements that do not trigger permits, does the CEC require a public agency to verify that CEQA is not triggered?
A.29	Yes.

Q.30	Can you give an example of an operational goal and how it differentiates from an objective?
A.30	<i>Operational goals could include, but are not limited to, information on how long the applicant plans to operate the proposed center, how many staff members the proposed center will have, how many entities the applicant plans to reach out to with the proposed center, etc.</i> <i>Objectives could include, but are not limited to, what the applicant plans to accomplish with the proposed center.</i>
Q.31	In the 2012/2013 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program, “Centers for Alternative Fuels and Advanced Technology” were presented in a group with “Regional Alternative Fuel Planning” under a heading “Program and Market Development.” This indicates at the time a clear preference for Centers that deliver badly needed program and market development functions to facilitate new technology adoption and commercialization. However, this solicitation as articulated disfavors funds being utilized for Program and Market Development, preferring instead the construction of a facility or the dedication of resources to operations with the strict elimination of program and market development as a fundable activity or even match value. Please describe how construction of a new office building or classroom building or the use of funds strictly on operational expenses is the best use of limited funds that were intended to be used for program and market development functions.
A.31	<i>The intent of this funding is to help develop a brick and mortar or a virtual center itself to host those activities. Successful proposals under this solicitation should have a strategic plan on how to fund the actual activities occurring in the center without relying on funding from this solicitation.</i>
Q.32	Would receiving funds from this solicitation limit our ability in the near future to receive program or research funds from the CEC?
A.32	<i>No.</i>
Q.33	Please define “neutral” as used. Would a center qualify as “neutral” that marketed its services, technology and resources to a broad range of public agencies and private companies for the purpose of facilitating the transition of fleet and private commuter vehicles to alternative and renewable fuels?
A.33	<i>A neutral site means that the site does not benefit a specific company. A center would not qualify as “neutral” if it marketed its services to benefit a specific company.</i>
Q.34	Section G, bullet 2: Please define “Key Project Partner”.
A.34	Please see the Partnership Requirements section on page 8.