**GRANT FUNDING OPPORTUNITY**

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

**Zero-Emission Vehicle and Zero-Emission Vehicle Infrastructure Manufacturing**



GFO-18-605

Addendum 1

[www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html)

State of California

California Energy Commission

December 2018

##### Table of Contents

[I. Introduction 4](#_Toc532904409)

[A. Purpose of Solicitation 4](#_Toc532904410)

[B. Background 4](#_Toc532904411)

[C. Commitment to Diversity 5](#_Toc532904412)

[D. Disadvantaged Communities (DACs) 5](#_Toc532904413)

[E. Key Activities and Dates 6](#_Toc532904414)

[F. How Award is Determined 6](#_Toc532904415)

[G. Availability of Funds 6](#_Toc532904416)

[H. Maximum Award Amounts 6](#_Toc532904417)

[I. Maximum Number of Applications 6](#_Toc532904418)

[J. Pre-Application Workshop 7](#_Toc532904419)

[K. Participation Through WebEx 7](#_Toc532904420)

[L. Questions 8](#_Toc532904421)

[M. Contact Information 8](#_Toc532904422)

[N. Reference Documents 8](#_Toc532904423)

[II. Eligibility Requirements 10](#_Toc532904424)

[A. Applicant Requirements 10](#_Toc532904425)

[B. Project Requirements 10](#_Toc532904426)

[C. Eligible Project Costs 11](#_Toc532904427)

[D. Ineligible Project Costs 12](#_Toc532904428)

[E. Match Funding 12](#_Toc532904429)

[F. Unallowable Costs (Reimbursable or Match Share) 15](#_Toc532904430)

[G. CEQA Compliance Timelines 16](#_Toc532904431)

[III. Application Format, Required Documents, and Delivery 18](#_Toc532904432)

[A. Required Format for an Application 18](#_Toc532904433)

[B. Methods For Delivery 18](#_Toc532904434)

[C. Page Limitations 19](#_Toc532904435)

[D. Application Organization 19](#_Toc532904436)

[IV. Evaluation Process and Criteria 28](#_Toc532904437)

[A. Application Evaluation 28](#_Toc532904438)

[B. Notice of Proposed Awards 29](#_Toc532904439)

[C. Debriefings 30](#_Toc532904440)

[D. Scoring Scale 30](#_Toc532904441)

[E. Evaluation Criteria 31](#_Toc532904442)

[F. Tie Breakers 33](#_Toc532904443)

[V. Administration 34](#_Toc532904444)

[A. Definition of Key Words 34](#_Toc532904445)

[B. Cost of Developing Application 34](#_Toc532904446)

[C. Confidential Information 34](#_Toc532904447)

[D. Solicitation Cancellation and Amendments 34](#_Toc532904448)

[E. Errors 36](#_Toc532904449)

[F. Modifying or Withdrawal of Application 36](#_Toc532904450)

[G. Immaterial Defect 36](#_Toc532904451)

[H. Disposition of Applicant’s Documents 36](#_Toc532904452)

[I. Applicants’ Admonishment 36](#_Toc532904453)

[J. Agreement Requirements 36](#_Toc532904454)

[K. No Agreement Until Signed and Approved 37](#_Toc532904455)

|  |  |
| --- | --- |
| Attachments | |
| 1 | Application Form |
| 2 | Scope of Work Template |
| 3 | Scope of Work Instructions |
| 4 | Schedule of Products and Due Dates |
| 5 | Budget Forms |
| 6 | Contact List |
| 7 | California Environmental Quality Act (CEQA) Worksheet |
| 8 | Local Health Impacts Information |
| 9 | ARFVTP Terms and Conditions |

# I. Introduction

## Purpose of Solicitation

This is a competitive grant solicitation. The California Energy Commission’s (Energy Commission’s) Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) announces the availability of up to ~~$10,000,000~~ **$9,900,000** in grant funds for projects that will support the manufacture of zero-emission vehicle (ZEV) and ZEV infrastructure technologies.

California is home to ZEV and ZEV infrastructure technology companies. Companies develop their innovations and manufacture technologies in response California policies and investments. Additionally, California is a leader in the demand for these technologies.

The Energy Commission has provided ARFVTP funding for manufacturing projects throughout California. ARFVTP investments in manufacturing are unique and provide funding that assists companies in locating and expanding their business to leverage California markets.

The purpose of this solicitation is to support supply chains in California that manufacture ZEVs and ZEV infrastructure technologies. These technologies will be deployed in-state to meet the state’s goal of 5 million ZEVs on the road by 2030. Co-benefits of this investment in California’s ZEV and ZEV infrastructure supply chains are technologies that reduce greenhouse gas emissions, improve air quality, and stimulate economic and business development.

## Background

Assembly Bill (AB) 118 (Nùñez, Chapter 750, Statutes of 2007), created the ARFVTP. The statute authorizes the California Energy Commission (Energy Commission) to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. AB 8 (Perea, Chapter 401, Statues of 2013) re-authorized the ARFVTP through January 1, 2024, and specified that the Energy Commission allocate up to $20 million per year (or up to 20 percent of each fiscal year’s funds) in funding for hydrogen station development until at least 100 stations are operational.

The ARFVTP has an annual budget of approximately $100 million and provides financial support for projects that:

* Reduce California’s use and dependence on petroleum transportation fuels and increase the use of alternative and renewable fuels and advanced vehicle technologies.
* Produce sustainable alternative and renewable low-carbon fuels in California.
* Expand alternative fueling infrastructure and fueling stations.
* Improve the efficiency, performance and market viability of alternative light-, medium-, and heavy-duty vehicle technologies.
* Retrofit medium- and heavy-duty on-road and non-road vehicle fleets to alternative technologies or fuel use.
* Expand the alternative fueling infrastructure available to existing fleets, public transit, and transportation corridors.
* Establish workforce training programs and conduct public outreach on the benefits of alternative transportation fuels and vehicle technologies.

This solicitation supports the goals of Executive Order B-48-18, pertaining to zero-emission vehicles (ZEVs). The Executive Order (EO) is designed to accelerate the market for ZEVs by establishing a target of 5 million ZEVs in California by 2030 and by significantly expanding ZEV infrastructure. The EO directs all State entities to work with the private sector “to spur the construction and installation of 200 hydrogen refueling stations and 250,000 ZEV chargers, including 10,000 direct current fast chargers, by 2025.”

This solicitation also supports implementation of the 2018 ZEV Action Plan Priorities Update (2018 Plan).[[1]](#footnote-1) The 2018 Plan identifies 39 actions of state agencies including, but not limited to, engagement with ZEV manufacturer networks, strategic planning for ZEV technology deployments, and maximizing economic and job opportunities from ZEV and infrastructure technologies.

## Commitment to Diversity

The Energy Commission is committed to ensuring that participation in its ARFVTP reflects the rich and diverse characteristics of California and its people. To meet this commitment, Energy Commission staff conducts outreach efforts and activities to:

* Ensure potential new applicants throughout the state are aware of the Energy Commission's ARFVTP and the funding opportunities the program provides.
* Encourage greater participation by underrepresented groups including disabled veteran-, women-, minority-, and LGBT-owned businesses.
* Assist applicants in understanding how to apply for funding from the Energy Commission's ARFVTP.

## Disadvantaged Communities (DACs)

Projects covered by this solicitation are encouraged to support air quality improvements and economic development in DACs. All Applications must identify and describe how the proposed project benefits DACs. The Office of Environmental Health Hazard Assessment (OEHHA) in the California Environmental Protection Agency (CalEPA) has developed the California Communities Environmental Health Screening Tool: CalEnviroScreen Version 3.0 (CalEnviroScreen 3.0). The CalEnviroScreen 3.0 tool will be used by the Energy Commission to identify DACs, defined as scoring in the top 25th percentile, and maximize the benefits to these communities from this solicitation. All applications must use the CalEnviroScreen tool to identify and verify how their proposed project benefits DACs.

## Key Activities and Dates

Key activities including dates and times for this solicitation are presented below. An addendum will be released if the dates change for the asterisked (\*) activities.

|  |  |
| --- | --- |
| **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~~ **31**, 2019 |
| **Deadline to Submit Applications by 5:00 p.m. PST\*** | **February** ~~21~~ **28, 2019** |
| Anticipated Notice of Proposed Awards Posting | March 2019 |
| Anticipated Energy Commission Business Meeting | May 2019 |

## How Award is Determined

Applicants passing administrative and technical screening will compete based on evaluation criteria, and will be scored and ranked based on those criteria. Unless the Energy Commission exercises any of its other rights regarding this solicitation (e.g., to cancel the solicitation or reduce funding), applications obtaining at least the minimum passing score will be recommended for funding in ranked order, by category, until all funds available under this solicitation are exhausted.

If the funds available under this solicitation are insufficient to fully fund a grant proposal, the Energy Commission reserves the right to recommend partially funding that proposal. In this event, the proposed Applicant/Awardee and Commission Agreement Manager (CAM) shall meet and reach agreement on a reduced scope of work commensurate with the level of available funding.

## Availability of Funds

A total of $9,900,000 is available for awards under this solicitation. The Energy Commission, at its sole discretion, reserves the right to increase or decrease the amount of funds available under this solicitation.

A total of up to $4,900,000 is available for awards that advance the in-state manufacturing of completed ZEVs and/or ZEV components (Category A).

A total of up to $5,000,000 is available for awards that advance the in-state manufacturing of ZEV infrastructure including electric vehicle supply equipment (EVSE) and hydrogen refueling station equipment (HRSE) (Category B).

If an insufficient number of passing applications are received in one of the Eligible Project categories noted, the Energy Commission may, at its sole discretion, transfer unused funding from one category to another category.

## Maximum Award Amounts

Projects are eligible for up to 50 percent of the total project costs or $2,000,000, whichever is less.

## Maximum Number of Applications

Applicants may only submit one application under this solicitation.

## Pre-Application Workshop

There will be one Pre-Application Workshop; participation in this meeting is optional but encouraged. The Pre-Application Workshop will be held through WebEx and conference call at the date, time, and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at <https://www.energy.ca.gov/contracts/> to confirm the date and time.

**January 9, 2019**

10:00 a.m.

California Energy Commission

1516 9th Street

Sacramento, CA 95814

Charles Imbrecht Room

## Participation Through WebEx

**WebEx Instructions:**

* To join the WebEx event, go to <http://energy.webex.com/ec> and click on the event. If you do not see the event listed, enter the event number and password below:

**Event Number:** **923 192 793**

**Event Password: No password required**

**Topic:** Pre-Application Workshop for ZEV and ZEV Infrastructure Manufacturing

* To Logon with a Direct Phone Number: After logging into WebEx, a prompt will appear on-screen for a phone number. In the “Number” box, enter your area code and phone number and click “OK” to receive a call for the audio of the meeting. International callers may use the "Country/Region" button to help make their connection.
* To Logon with an Extension Phone Number: After you login, a prompt will ask for your phone number. Select “CANCEL.” Call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and the unique Attendee ID number listed in the top left area of the screen after login. International callers may dial in using the “Show all global call-in numbers” link (also in the top left area).

**Telephone Access Only:**

* Call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above. International callers may select their number from <https://energy.webex.com/energy/globalcallin.php?serviceType=EC&ED=736755292&tollFree=1>

**Technical Support:**

* For assistance with problems or questions about joining or attending the meeting, please call WebEx Technical Support at **1-866-229-3239.**
* System Requirements: To determine whether your computer is compatible, visit: <http://support.webex.com/support/system-requirements.html>.
* Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files requires appropriate players. Please determine whether the players are installed on your computer by visiting: <https://energy.webex.com/energy/systemdiagnosis.php>.

## Questions

During the solicitation process, questions of clarification about this solicitation must be directed to the Commission Agreement Officer listed in the following section. You may ask questions at the Pre-Application Workshop, and you may submit written questions via mail, electronic mail, and by FAX. However, all questions must be received by 5:00 pm on the date listed in the Key Activities and Dates table earlier in this solicitation.

Question and answer sets will be e-mailed to all parties who attended the Pre-Application Workshop and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Energy Commission’s website at: [www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html).

Any verbal communication with an Energy Commission employee concerning this solicitation is not binding on the State and shall in no way alter a specification, term, or condition of the solicitation. All communication must be directed in writing to the Commission Agreement Officer assigned to the solicitation.

## Contact Information

Kevyn Piper, Commission Agreement Officer

California Energy Commission

1516 Ninth Street, MS-18

Sacramento, California 95814

Telephone: (916) 654-4845

FAX: (916) 654-4423

E-mail: Kevyn.Piper@energy.ca.gov

## Reference Documents

Applicants responding to this solicitation may want to familiarize themselves with the following documents:

* 2017-2018 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program (CEC-600-2016-007-CMF)[[2]](#footnote-2)
* 2018-2019 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program (CEC-600-2017-010-CMF)[[3]](#footnote-3)
* Zero-Emission Vehicle Executive Order B-48-18[[4]](#footnote-4)
* 2018 ZEV Action Plan Priorities Update[[5]](#footnote-5)
* California Environmental Protection Agency, Office of Environmental Health Hazard Assessment, Sacramento, CA. CalEnviroScreen 3.0.[[6]](#footnote-6)

Investment Plan Updates for the Alternative and Renewable Fuel and Vehicle Technology Program are on display and available for review in the Energy Commission’s Library, in addition to being available at the websites listed above. Library hours are Monday – Friday from 8:30 a.m. to 4:30 p.m., closed for lunch 12:00 – 1:00 p.m. The Library is located at: California Energy Commission, 1516 Ninth Street, First Floor, Sacramento, CA 95814, (916) 654-4292.

# II. Eligibility Requirements

## Applicant Requirements

1. **Eligibility**

This solicitation is open to only private, for-profit businesses.

1. **Terms and Conditions**

Each grant agreement resulting from this solicitation will include the ARFVTP Terms and Conditions (Attachment 9) that set forth the recipient’s rights and responsibilities. By signing the Application Form (Attachment 1), each applicant agrees to enter into an agreement, if awarded, with the Energy Commission to conduct the proposed project according to the terms and conditions that correspond to its organization, without negotiation.

Failure to agree to the terms and conditions by taking actions such as failing to sign the Application Form or indicating that acceptance is based on modification of the terms will result in rejection of the application. Applicants must read the terms and conditions carefully. The Energy Commission reserves the right to modify the terms and conditions prior to executing grant agreements.

1. **California Secretary of State Registration**

All corporations, limited liability companies (LLCs), limited partnerships (LPs) and limited liability partnerships (LLPs) that conduct intrastate business in California are required to be registered and in good standing with the California Secretary of State prior to its project being recommended for approval at an Energy Commission Business Meeting. 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). Sole proprietors using a fictitious business name must be registered with the appropriate county and provide evidence of registration to the Energy Commission prior to their project being recommended for approval at an Energy Commission Business Meeting.

## Project Requirements

To be an “Eligible Project” under this solicitation, projects must be located in California and fit into one of the categories listed below:

***Category A***

* **Complete ZEVs**– Manufacture a complete light-duty, medium-duty, 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 **components of a** ZEV ~~components where the manufactured or final product is an integral component of a complete ZEV~~. ZEV components includes, but is not limited to, power trains, battery packs, control and management systems, and on-board chargers.

***Category B***

* **Electric Vehicle Supply Equipment** – Manufacture a complete off-board EVSE product, or EVSE components, including, but not limited to, software, firmware, and hardware technologies.

Eligible projects include the manufacture of photovoltaic (PV) systems where the PV systems are an integrated component of the EVSE, and the PV system is designed and engineered for the sole purpose of providing electricity from the PV system to a PEV.

Eligible projects also include manufactured EVSEs where energy storage is an integrated component into the complete EVSE product.

***AND/OR***

* **Hydrogen Refueling Station Equipment –** 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 projects also include the manufacture of electrolyzers, steam methane reforming equipment, or other hydrogen production equipment where the production of on-site hydrogen is an integrated component of the complete HRSE system, and the hydrogen production equipment is designed and engineered for the sole purpose of providing hydrogen to a FCEV.

Eligible products in Category B must be manufactured for the sole purpose of using the manufactured product(s)/system(s) to refuel PEVs or FCEVs.

## Eligible Project Costs

* 1. Project costs incurred for the following activities are eligible for Energy Commission reimbursement or as the Applicant’s match share:
* 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.
  1. Costs incurred for the following labor activities are also eligible for Energy Commission reimbursement or as the Applicant’s match share:
* 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.

Eligible workforce training and development activities is capped at 10 percent of the Energy Commission award amount. Applicant’s executive officers and board members are ***not*** eligible for workforce training and development activities.

## Ineligible Project Costs

The following project costs are ***not*** eligible:

* 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.
* 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**, commissioning, and/or testing** of ZEV infrastructure.
* Hydrogen fuel and fuel used to produce hydrogen.

***NOTE: Costs incurred prior to executing an agreement will not be reimbursed by the Energy Commission.***

## Match Funding

1. **Match Funding**

Applications must include a minimum 50 percent match share of the ***total allowable project costs*** (i.e., the sum of Energy Commission’s reimbursable share and Recipient’s match share).

“Match funding” or “match share” means cash or in-kind (non-cash) contributions provided by the Applicant/Recipient, subcontractors, or other parties that will be used in performance of the proposed project.

Match share expenditures have the following requirements:

1. At a minimum, total match share must conform to the “Cash Match Share Requirement” contained in this solicitation.
2. All match share expenditures must conform to the terms and conditions of this solicitation and the resulting agreement (see Attachment 9).
3. Applicants must disclose the source and provide verification and documentation for the match share funding committed to the project. (For any match share committed by a third party [i.e., other than match share committed by the Applicant], Applicants are encouraged to submit a letter from each match share partner identifying the source(s) and availability of match funding.)
4. During the term of the agreement, Recipients will be required to document and verify all match share expenditures through invoices submitted to the Energy Commission.
5. Match share funding may be in the form of cash or in-kind contributions such as donated labor hours, equipment, facilities, and other property.
6. Equipment, facilities, and property may count as match funds as long as the value of the contribution is based on documented market values or book values, prorated for its use in the project, and depreciated or amortized over the term of the project using generally accepted accounting principles (GAAP).
7. Match share expenditures (cash and/or in-kind) must be documented, reasonable, allowable, and allocable to the project as determined by the Energy Commission.
8. Match share expenditures are allowable under an agreement only if they are 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). Match expenditures incurred prior to the approval and execution 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. Please note that non-match expenditures incurred prior to agreement execution are not reimbursable from Energy Commission funds.
9. **Cash Match Share**

Applications must include a minimum ***cash*** contribution equal to at least 10 percent of the minimum match requirement.

Cash match means the net of any funds actually expended by the applicant for the project. Net means after any sort of discount or rebate is applied. Expenditures for applicant’s compensated labor hours, including allowable fringe benefit and overhead rates, travel, materials, supplies, equipment, subcontractor costs, and other miscellaneous expenditures may be claimed as cash match if the expenditures are included in the approved agreement budget, paid in full with funding sources other than grant funds, and supported with appropriate documentation, including proof of payment. For indirect overhead, backup documentation, such as a cost allocation plan based on actual expenditures incurred and paid, is required. Cost allocations must be reasonable and allocable to the proposed project.

1. **In-Kind Match Share**

The balance of the total match share requirement beyond the cash match share requirement (if any) may be met through in-kind match share contributions.

In-kind match share contributions are: 1) non-cash contributions provided by the applicant; 2) cash or non-cash contributions provided by a subcontractor; and 3) cash or non-cash contributions provided by other third parties. Applicant in-kind match share can be in the form of volunteer labor, real property, existing equipment, existing supplies, services provided by a third-party or subcontract, and other expendable property. The value of in-kind match is based on the fair market value of the goods and services provided at the time it is claimed as match. In-kind match share must be included in the approved agreement budget and supported with appropriate documentation. Cost allocations must be reasonable and allocable to the proposed project.

1. **Match Share Restrictions**
2. ***Other Sources of Energy Commission Funding*** – Other sources of Energy Commission funding may not be used as match share.
3. ***Ineligible Match Share Sources*** – Ineligible match share sources include:

* Funds available from the State of California, regional, or local public entity’s public incentive programs designed to support the construction and installation of EVSE or HRS infrastructure.
* Funds available from the State of California, regional, or local public entity’s public incentive programs for workforce training and development programs and sales and use tax exclusion on manufacturing equipment.

1. ***Property Not Owned by the Applicant*** – Donated property may be claimed as match based on the fair market value of renting or leasing the property. Fair market value is based on rental costs of comparable property (if any), market conditions in the area, alternatives available and the type, life expectancy, condition, and value of the property.
2. ***Existing Property Owned by the Recipient*** – Applicants may use the property’s depreciation expense as a method to allocate the value of the property to the project. Valuation will need to be documented to support the initial acquisition costs as well as the method of depreciation.
3. ***Valuation of Land*** –Land cannot be depreciated. If the value of land is claimed as match, the applicant must provide documentation to support a fair market value for the use of the land (i.e., rent or lease cost) for the time period it is used. Appraised value of land cannot be used since this represents the full value of the land if it is sold which includes value beyond the term of the proposed project.
4. ***Property Owned by a Related Party*** –Related parties are individuals or other entities that are able to control or substantially influence the actions of the applicant and includes spouses, board members, family members of principals or employees of the applicant as well as property owned by principals/employees of the applicant. Because agreements between related parties are “less than arms-length” transactions, applicants must disclose to the Energy Commission the relationship and be able to support the fair market value of property that is claimed as match.

If Energy Commission funds are used to reimburse lease/rental payments for property owned by a related party, the applicant can only claim the ***lessor*** of fair market value or actual lease payments, regardless of lease agreement terms.

1. ***Prorated Value of Property*** – The allowable claimed value of property must be prorated based on the percentage the property is used for the proposed project. For example, if only half of a building is being used for the proposed project, then only 50% of the monthly fair market value of the entire building can be claimed as match while the building is being used for the project.
2. ***Documentation*** – If selected for an award under this agreement, all claimed match share expenditures must be adequately documented to the Energy Commission during the agreement invoicing process which may include, but is not limited to: the fair market value of existing property, methodology to allocate existing property on a prorated basis, lease agreements, and other appropriate documentation.

## Unallowable Costs (Reimbursable or Match Share)

For an item of cost to be allowable, it must be included in the approved agreement budget and allowable per the terms and conditions of the resulting agreement. The following are examples of unallowable costs under an agreement resulting from this solicitation. This list is not comprehensive and additional items of cost may be unallowable in accordance with the terms and conditions.

1. ***Forgone Profit*** – For example, if a company usually charges 10% profit but only charges 4% to the Energy Commission. The unclaimed difference is not an allowable item of cost.
2. ***Forgone Rent*** – For example, rents that are not paid is not an allowable item of reimbursable cost.
3. ***Discounted or Refunded Equipment Costs*** – For example, a claim that equipment costs $10,000 but recipient only pays $6,000 due to some “special” discount. The difference of $4,000 is not an allowable match share expense. Another example is if the recipient actually pays $10,000 but the vendor refunds $4,000 – only the net $6,000 is an allowable item of cost.
4. ***Foregone Salary, Fringe, Indirect or Other Types of Cost*** – For example, a person normally charges or is paid $100 per hour, but will only charge $50 per hour towards the Energy Commission award. Only actual costs incurred and paid to the employee are allowable. Therefore, if an employee is ***actually*** paid $100 per hour and the Energy Commission only reimburses at $40 per hour, then the unreimbursed $60 per hour is an allowable match share cost because this is an actual payment as opposed to a foregone salary amount. Volunteer labor (i.e., labor from a person who does not receive any compensation for their labor) may be an allowable in-kind match share expense if the value of the labor is reasonable and justified.

## CEQA Compliance Timelines

1. Time is of the essence. Funds available under this solicitation have encumbrance deadlines as early as **6/30/2019**. Prior to approval of a proposed award, the Energy Commission must comply with the California Environmental Quality Act (CEQA), and other applicable environmental review requirements. In general, the Energy Commission is required to make its own independent CEQA determination and the level of review required by CEQA depends on the facts of the specific project.

To comply with CEQA, the Commission must have CEQA-related information from applicants and sometimes other entities, such as local governments, in a timely manner. Applicants recommended for funding in the NOPA must submit pertinent information well in advance of 6/30/2019 or risk having their projects not funded. Unfortunately, even with this information, the Commission may not be able to complete its CEQA review prior to the encumbrance deadline for every project. If, for example, a project requires an Environmental Impact Report, the process to complete it can take many months. For these reasons, it is critical that applicants organize project proposals in a manner that minimizes the time required for the Commission to comply with CEQA, and other applicable environmental review requirements, and provide all related information to the Commission in a timely manner such that the Commission is able to complete its review in time for it to meet its encumbrance deadline. If another agency has already made a CEQA determination as the lead agency, that may expedite the Energy Commission’s review. For this reason, in the proposal package, it may be helpful for applicants to include already received permits and associated CEQA determinations from other agencies (e.g., a local agency where the project will take place). Otherwise, to maintain the schedule for a grant agreement to be approved at the business meeting, it is recommended that applicants submit all CEQA documentation including a CEQA determination already made by a lead agency to the Energy Commission as soon as possible and **no later than 30 calendar days after the NOPA is posted**. Earlier is better.

Applicants recommended for funding in the NOPA can improve the chance that the Commission will approve their projects by submitting their proposed projects to the local or other appropriate agency with jurisdiction over the project and obtaining a CEQA determination from that lead agency in advance of the Commission’s review.

1. Reservation of right to cancel proposed award. In addition to any other right reserved to it under this solicitation or that it otherwise has, if the Energy Commission determines, in its sole and absolute discretion, that the CEQA or other environmental review associated with a proposed project would not likely be completed prior to the encumbrance deadline referenced above, and that the Commission’s ability to meet its encumbrance deadline may thereby be jeopardized, the Energy Commission may cancel a proposed award and award funds to the next highest scoring applicant, regardless of the originally proposed applicant’s diligence in submitting information and materials for CEQA or other environmental review. Examples of situations that may arise related to environmental review include but are not limited to:

* Example 1: If another state agency or local jurisdiction, such as a city or county, has taken the role of lead agency under CEQA, the Energy Commission’s review may be delayed while waiting for a determination from the lead agency.
* Example 2: If the proposed work is part of a larger project for which a detailed environmental analysis has been or will be prepared by another state agency or local jurisdiction, the Energy Commission’s review may be delayed as a result of waiting for a supplemental or initial analysis, respectively, from the other agency.
* Example 3: If the nature of the proposed work is such that a project is not categorically or otherwise exempt from the requirements of CEQA, and an initial study or other detailed environmental analysis appears to be necessary, the Energy Commission’s review, or the lead agency’s review, may take longer than the time available to encumber the funds. If an initial study or environmental impact report has already been completed by another state agency or a local jurisdiction, serving as the lead agency, the applicant must ensure that such an analysis covers the work in the proposed project, or must obtain a revised analysis and determination from the lead agency reviewing the proposed project.
* Example 4: If the proposed project clearly falls under a statutory or categorical exemption, or is project for which another state agency or local jurisdiction has already adopted a CEQA finding that the project will cause no significant effect on the environment, the project will likely have greater success in attaining rapid completion of CEQA requirements.

The above examples are not exhaustive of instances in which the Energy Commission may or may not be able to comply with CEQA or other environmental review requirements within the encumbrance deadline, and are only provided as further clarification for potential applicants. Please plan project proposals accordingly.

# III. Application Format, Required Documents, and Delivery

## Required Format for an Application

This section contains the format requirements and instructions on how to submit an application. The format is prescribed to assist the applicant in meeting State requirements and to enable the Energy Commission to evaluate each application uniformly and fairly. Applicants must follow all application format instructions, answer all questions, and supply all requested data.

All applications submitted under this solicitation must be typed or printed using a standard 11‑point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled and printed back-to-back.

## Methods For Delivery

1. **Electronic Submission through the Grant Solicitation System**

The preferred method of delivery for this solicitation is the Energy Commission’s Grant Solicitation System, available at: <https://gss.energy.ca.gov/>. This online tool allows applicants to submit their electronic documents to the Energy Commission prior to the date and time specified in this solicitation. Electronic files must be in Microsoft Word (.doc format) and Excel Office Suite formats unless originally provided in the solicitation in another format. Attachments requiring signatures may be scanned and submitted in PDF format. Completed Budget Forms, Attachment 5, must be in Excel format. The system will not allow applications to be submitted after the due date and time.

First time users must register as a new user to access the system. Applicants will receive a confirmation email after all required documents have been successfully uploaded. A tutorial of the system will be provided at the pre-application workshops and you may contact the Commission Agreement Officer identified in the Questions section of the solicitation for more assistance.

1. **Hard Copy Submittals**
2. ***Delivery:*** Although not preferred, an applicant may deliver a hard copy of an application by:

* U.S. Mail
* In Person
* Courier service

Applications submitted in hard copy must be delivered to the Energy Commission Contracts, Grants and Loans Office during normal business hours and prior to the date and time specified in this solicitation. Applications received after the specified date and time are considered late and will not be accepted. There are no exceptions. Postmark dates of mailing, E-mail and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

***There is no need to submit a hard copy of an application that is submitted through the Grant Solicitation System.***

1. ***Number of Copies for Hard Copy Submittals:*** Applicants may submit only an original application. No additional hard copies of the application are needed*.*
2. ***Electronic Copies:*** Applicants must also submit electronic files of the application on ***CD-ROM or USB memory stick*** along with the hard copy submittal. Only one CD-ROM or USB memory stick is needed. Electronic files must be in Microsoft Word (.doc format) and Excel Office Suite formats. Completed Budget Forms, Attachment 5, must be in Excel format.
3. ***Packaging and Labeling for Hard Copy Submittals:*** The original application must be labeled "Grant Funding Opportunity GFO-18-605," and include the title of the application. The application should be bound only with a binder clip.

Deliver your application in a sealed package and label as follows:

|  |  |
| --- | --- |
| Person’s Name, Phone #  Applicant’s Name  Street Address  City, State, Zip Code  FAX # |  |
|  | California Energy Commission  Contracts, Grants & Loans Office  Attn: GFO-18-605  1516 Ninth Street, MS-18  Sacramento, California 95814 |

## Page Limitations

The number of pages for each Application is limited to 25 pages. Application forms, resumes, scope of work, schedule of products and due dates, budget forms, contact list, letters of support/commitment, CEQA worksheet, specified confidential materials, and Localized Health Impacts Information forms do not count towards this page limitation.

## Application Organization

|  |  |
| --- | --- |
| **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 |

1. **Application Form**

Applicants must include a completed Application Form shown in Attachment 1.

All applicants must authorize the Energy Commission to make any inquiries necessary to verify the information presented in the application. Further, all applicants must authorize the Energy Commission to obtain a credit report on the applicant’s business.

All applicants must certify under penalty of perjury under the laws of the State of California that:

* All confidential information submitted (if allowed under the solicitation) has been properly identified.

***NOTE: The Energy Commission reserves the right to determine whether confidential information submitted adheres to the confidentiality requirements contained in the solicitation and state law, including Energy Commission regulations. Applicants purposely or erroneously designating information as confidential beyond what is allowable in accordance with the solicitation and state law may lead to rejection and disqualification of the application.***

* All information in the application is correct and complete to the best of the applicant’s knowledge.
* The applicant has read and understands the terms and conditions and will accept them without negotiation if awarded.
* The applicant has received any required licenses (such as copyrights or trademarks) applicable to the submitted application.
* The person electronically submitting the application through the Grant Solicitation System is an authorized representative of the applicant. For applicants providing a hard copy submittal, the person signing the application is an authorized representative of the applicant.

***For applicants using the electronic submission through the Grant Solicitation System***, checking the “I Agree” box and clicking the “I Agree & Submit” button provides the required authorizations and certifications.

***For applicants submitting hard copy applications***, Attachment 1 must be submitted and signed by an authorized representative of the applicant.

1. **Table of Contents**

Each application must include a Table of Contents that allows for easy navigation and location of relevant information. This will not count towards the page limitation.

1. **Executive Summary**

Each application must contain an Executive Summary that, at a minimum, includes: a project description, project goals, and quantitative and measurable objectives to be achieved. The maximum length of the Executive Summary is one (1) page. This will not count towards the page limitation.

1. **Project Narrative**

The Project Narrative is limited to a maximum of 25 pages. The Project Narrative must include a detailed description of the proposed project, its operational goals and objectives, and an explanation of how these will be implemented through the tasks described in the Scope of Work.

Applicants must address each of the scoring criteria described in this solicitation by providing sufficient, unambiguous detail so that the evaluation team will be able to evaluate the application against each scoring criterion.

Project Narratives must identify and respond directly to each criterion with the headings as titled below, and must include the following information:

1. **Project Team Qualifications**
2. Describe how the project team’s manufacturing qualifications and experience are suitable to the tasks described in the proposed Scope of Work.
3. Describe how the team can support manufacturing products, increasing sales, securing capital, and establishing a reliable supplier network.
4. Describe how the team can respond to and mitigate proposed project delays, manage cash flow, leverage capital, and address supplier delays.
5. **Business Operations**

NOTE ON CONFIDENTIALITY: This section on “Business Operations” ***may*** be provided as confidential information. If submitting in hard copy, Applicants shall provide the Business Operations information in a separate document, detached from the application package, separately sealed, and clearly identified as confidential on each page. If submitting electronically, Applicants must upload under the file description, “Confidential Information”, and clearly identify “confidential” on each page.

The information requested from Applicants in this section will be kept confidential by the Energy Commission, pursuant to California Government Code sections 6254(k) and 6254.15 unless the Energy Commission is ordered to release it by a court or other entity with jurisdiction over the issue or the information otherwise becomes public. The information will be kept confidential from receipt to seven (7) years following the posting of the Notice of Proposed Award (NOPA), after which time the records will become public.

With the exception of information submitted in this section, Applicants should not submit materials that are marked or otherwise delineated as confidential. In addition, any such materials will be promptly destroyed or returned to the Applicant.

**Financial statements should be audited and certified by a Certified Public Accountant (CPA). With everything else being equal, audited and certified financial statements will be scored higher; and, unaudited and/or non-certified financial statements will be scored lower.**

1. Provide three (3) years of financial statements of the Applicant and third-party financial assessments.
2. Provide pro forma information and assumptions for five years’ post-project that reasonable are supported by previous company investments, staffing levels, established supply chains, and market share trends for the company’s product(s).
3. **Manufacturing Operations**
4. Describe the Applicant’s manufacturing line(s), from inventory to shipping. Provide facility layout map(s) and photographs that identify workstations and work flow.
5. Describe processes in analyzing returned products under warranty, customer service, and other lessons learned that can inform product design and development and reduce costs.
6. Provide staffing plans and workforce training and development plans to meet the labor investments needed to support manufacturing operations and projected growth.
7. Describe and document how the proposed project includes innovations, functionalities, sustainability practices, or enhancing features that will be incorporated into products or manufacturing processes.
8. Describe market barriers and details effective sales strategies, customer service approaches, and other solutions to overcome those barriers.
9. Discuss the ability (via patents, intellectual property developed or owned by the Applicant, or other means) to manufacturer the proposed product(s) and/or service(s).
10. Discuss the Applicant’s supply chain.
11. Discuss how the Applicant’s supply chain draws from California-based suppliers.
12. **Implementation**
13. Describe how the tasks in the Scope of Work and the dates in the Project Schedule and Due Dates are complete, sequential, and will lead to successful and timely completion of the proposed project.
14. Demonstrate site control for the proposed project.
15. Discuss progress in identifying and obtaining permits for the proposed project.
16. Discuss progress towards achieving compliance under the California Environmental Quality Act (CEQA).
17. **Budget**
    1. Discuss why the proposed budget is cost-effective and appropriate to the purpose of this solicitation.
    2. Demonstrate that administrative and overhead expenses are minimized.
    3. Demonstrate and justify why state funds are necessary for the proposed project.
    4. Demonstrate and document that the source, type, and amount of Match Share funds are committed to the proposed project.
18. **Benefits**
19. Describe how proposed project results in ~~a higher ratio of~~ CO2-equivalent reduced (in tons) per dollar of Energy Commission investment for the proposed project term. Provide calculations and assumptions.
20. Discuss how the proposed project will accelerate the deployment of ZEVs or ZEV infrastructure technologies into the market and will further accelerate the deployment of ZEVs.
21. Discuss how the manufactured technology is expected to compete with incumbent technologies, services, and/or products in the marketplace.
22. Describe how the proposed project will benefit DACs and workers within DACs in accordance with CalEnviroScreen 3.0 Tool.
23. Discuss how the proposed project would create permanent and/or temporary jobs in California.
24. Discuss how the proposed project generates state and local taxes.
25. Discuss how the proposed project will expand opportunities for California suppliers.
26. **Scope of Work**

Applicants must include a completed Scope of Work utilizing the template contained in Attachment 2. Instructions for completing the Scope of Work as well as a sample are included in Attachment 3. The description of activities proposed in the Project Narrative must conform to the Tasks described in the Scope of Work. Electronic files for the Scope of Work must be in MS Word.

Applicants must present a comprehensive and credible scope of work which includes (presented in a logical manner) comprehensive and sequential tasks, products resulting from the individual tasks, and how the tasks are related to or are dependent on each other.

1. **Schedule of Products and Due Dates**

Applicants must include a completed Schedule of Products and Due Dates (Attachment 4). All work must be scheduled for completion by no later than **March 31, 2022**, to allow timely processing of final invoices before the liquidation date of the funds. Instructions for the Schedule of Products and Due Dates are included in Attachment 4. Electronic files for the Schedule of Products and Due Dates must be in MS Excel.

1. **Budget Forms**
2. The applicant must submit information on ***all*** budget forms contained in Attachment 5. All budget forms are required because they will be used for the agreement prepared with the winning applicant(s). A separate set of complete budget forms, including the full set of worksheets, is required for the Applicant and for each subcontract containing: 1) $100,000 or more of Energy Commission funds; or 2) 25% or more of the total Energy Commission funds requested, whichever is less.
3. Detailed instructions for completing these forms are included at the beginning of Attachment 5.
4. Rates and personnel shown must reflect rates and personnel charged under an agreement resulting from this solicitation. The salaries, rates, and other costs entered on these forms become a part of the final agreement. The entire term of the agreement and projected rate increases must be considered when preparing the budget. The rates proposed are considered capped and shall not change during the term of the agreement. The Recipient shall only be reimbursed for their ***actual*** rates up to these rate caps. The hourly or monthly rates provided shall be unloaded (before fringe benefits or indirect costs).
5. The information provided in these forms, as with all application information submitted, will ***not*** be kept confidential.
6. All reimbursable expenditures must be expended within the approved term of the funding agreement. Expenditures may be counted as match share only 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). However, match expenditures incurred prior to the full execution of a funding agreement are made at the applicant’s own risk.
7. The Budget must allow for the expenses of a Kick-off Meeting, at least one (1) Critical Project Review meeting, and a Final meeting. It is anticipated that meetings will be conducted at the Energy Commission located in Sacramento, CA.
8. Applicants must budget for permits, insurance, etc. The Energy Commission will not reimburse expenditures for permitting or insurance. However, these expenditures can be included as match share expenditure.
9. The Budget must allow for the preparation and submission of monthly progress reports (1-2 pages each) during the approved term of the agreement, and a Final Report. Instructions for preparing the Final Report will be provided to successful applicants.
10. The purchase of equipment (defined as 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, Grant Recipients may continue to utilize equipment purchased with Energy Commission funds as long as the use is consistent with the intent of the original agreement. ***There are no disposition requirements for equipment purchased solely with match share funding.***
11. 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.
12. Applicants shall ***NOT*** budget for, and ***CANNOT*** be reimbursed for, more than their actual allowable expenses (i.e., the budget cannot include profit, fees, or markups) under the agreement. Subcontractors (all tiers) are allowed to include up to a maximum total of 10% profit, fees or mark-ups on their own actual allowable expenses less any expenses further subcontracted to other entities (i.e., profit, fees and markups are not allowed on subcontractor expenses). For example, if a subcontractor has $100,000 in actual allowable costs but has further subcontracted $20,000 to another entity, then the subcontractor can only include up to 10% profit on $80,000 ($100,000 minus $20,000). See terms and conditions for more information on allowable costs.
13. ***IMPORTANT - Payment of Prevailing Wage:*** Applicants must read and pay particular attention to the Terms and Conditions (Attachment 9) and the section related to Public Works and Payment of Prevailing Wages. Prevailing wage rates can be significantly higher than non-prevailing wage rates. Failure to pay legally-required prevailing wage rates can result in substantial damages and financial penalties, termination of the agreement, disruption of projects, and other complications.
14. **Resumes**

Applicants must include resumes for key personnel identified in the proposal. Resumes are limited to a maximum of 2 pages each.

1. **Contact List**

Applicants must include a completed Contact List (Attachment 6) by including the appropriate points of contact for the Applicant. The Energy Commission will complete the Energy Commission points of contact during agreement development.

1. **Letters of Support/Commitment**

Applicants must include appropriate letters of support/commitment. Letters must include sufficient contact information so the Energy Commission is able to efficiently contact the letter writer, as necessary. Letters must be limited to 2 pages each.

* 1. **Key Project Partners (if applicable):** Key project partners identified in the application must provide letters demonstrating their commitment to the proposed project and their ability to fulfill their identified roles.
  2. **Third-party Match Share Contributors (if applicable):** Any third-party match share contributors must identify the intended amount of match, the funding source(s), and state that the match share contributor will provide the identified match funding. Letters of commitment from third party match share contributors must contain a telephone number to allow the Energy Commission to contact the match share partner or representative to confirm their authority to commit matching funds to the proposed project.
  3. **Letters of Support (optional):** Applicants are encouraged to submit letter(s) of support that substantiate the estimated demand and/or the potential benefits of the proposed project. Third-party letters of support can be provided by, but are not limited to: customers, suppliers, investors, air districts, state or federal agencies, local safety officials, potential users of the proposed project, and any other relevant organizations.

1. **Manufacturing Facility Layout**

Applicant must provide a layout**, drawing, or schematic plan** of their manufacturing facility. The layout**, drawing, or schematic plan** should include ~~the~~ **workstations**, workflow processes from materials receiving/intake to product shipping, **and** administrative and technical staff~~, and each workstation~~.

Applicant must provide photographic evidence of their manufacturing facility and layout. **If the applicant has not secured a manufacturing facility, they must provide a layout, drawing, or schematic plan with this detail with their application.**

1. **CEQA Worksheet**

Applicants must include a completed CEQA Worksheet (Attachment 7). The Energy Commission requires this information to assist it in making its own determination under the California Environmental Quality Act (Public Resources Code Section §§ 21000 et seq).

Applicants must complete the detailed CEQA Worksheet and submit it with their application. This worksheet will help applicants and the Energy Commission to determine CEQA compliance obligations by identifying which projects may require more extensive CEQA review. Failure to complete the worksheet may lead to disqualification of the proposal.

Applicants are encouraged to provide documentation of communication with the local lead agency, if one exists (e.g., a county or city). Documentation such as a completed notice of exemption, a letter from the local agency acknowledging their role in the CEQA process, or a permit application to the lead agency that is stamped as received. If no CEQA review would be required by the local lead agency, provide documentation (letter or e-mail) from the local agency explaining why not.

1. **Localized Health Impacts Information Form**

Applicants must complete and submit a Localized Health Impacts Information Form (Attachment 8). The Energy Commission requires this information to assist in developing and publishing a localized health impact report.

# IV. Evaluation Process and Criteria

## Application Evaluation

This section explains how the applications will be evaluated.

Applications will be evaluated and scored based on the responses to the information requested in this solicitation. The entire evaluation process from receipt of applications to posting of the Notice of Proposed Award is confidential.

To evaluate all applications, the Energy Commission will organize an Evaluation Committee. The Evaluation Committee may consist of Energy Commission staff or staff of other California state entities. The Evaluation Committee may consult industry experts under ARFVTP’s technical support contract; however, industry representatives will not provide a score and will be bound by confidentiality agreements.

* 1. **Screening Criteria**

The Contracts, Grants and Loans Office will screen applications for compliance with the Administrative Screening Criteria. The Evaluation Committee will screen applications for compliance with the Technical Screening criteria. Applications that fail any of the Administrative or Technical Screening Criteria shall be disqualified and eliminated from further evaluation.

* 1. **Administrative Screening Criteria**

| **ADMINISTRATIVE Screening Criteria**  *The Application must pass ALL administrative screening criteria.* | **Pass/Fail** |
| --- | --- |
| 1. The application is received by the Energy Commission’s Contracts, Grants, and Loans Office by the due date and time specified in the “Key Activities Schedule” in Section I of this solicitation. | Pass  Fail |
| 1. The applicant provides the required authorizations and certifications. | Pass  Fail |
| 1. The applicant has not included a statement that is contrary to the required authorizations and certifications. | Pass  Fail |
| 1. The application does not contain confidential information or any portion marked confidential, except for allowable confidential information submitted in accordance with Section III, separated and clearly labeled as confidential. In addition, any such materials will be promptly destroyed or returned to the Applicant. | Pass  Fail |

* 1. **Technical Screening Criteria**

| **Technical Screening Criteria**  *The Application must pass ALL technical screening criteria.* | **Pass/Fail** |
| --- | --- |
| 1. Applicant is eligible to apply under this solicitation. | Pass  Fail |
| 1. Proposed project is eligible in accordance with this solicitation. | Pass  Fail |
| 1. Proposed project meets the minimum match share requirements. | Pass  Fail |

* 1. **Grounds to Reject an Application**

In addition to the Screening Criteria identified within this solicitation, the Energy Commission reserves the right to reject an application and/or cancel an award if at any time during the application or agreement process the following circumstances are discovered:

1. The application contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the applicant.
2. The application is intended to erroneously and fallaciously mislead the State in its evaluation of the application and the attribute, condition, or capability is a requirement of this solicitation.
3. The application does not literally comply or contains caveats that conflict with the solicitation and the variation or deviation is material or it is otherwise non-responsive.
   1. **Technical Evaluation**

Applications passing all screening criteria will be submitted to the Evaluation Committee to review and score based on the Evaluation Criteria in this solicitation.

The Evaluation Committee reserves the right to schedule a clarification interview with an applicant that will either be held by telephone or in person at the Energy Commission for the purpose of clarification and verification of information provided in the application. However, these interviews may not be used to change or add to the contents of the original application. Applicants will not be reimbursed for time spent answering clarifying questions.

The total score for each application will be the average of the combined scores of all Evaluation Committee members. A minimum score of 70 percent is required for the application to be eligible for funding.

**A minimum score of 70 percent (10.5 points) is required for the Business Operations scoring criterion to be eligible for funding.**

**A minimum overall score of 70 percent (70 points) is required for the application to be eligible for funding.**

The Energy Commission will recommend awards to the highest ranked projects (according to final overall application score) until available funding under this solicitation has been exhausted.

## Notice of Proposed Awards

The results of the evaluation will be posted in a Notice of Proposed Awards (NOPA) and will include the recommended funding level and the rank order of applicants. The Energy Commission will post the NOPA at the Energy Commission’s headquarters in Sacramento, publish the NOPA on the Energy Commission’s website, and email the NOPA to all parties that submitted an application.

## Debriefings

Unsuccessful applicants may request a debriefing after the release of the NOPA. A request for debriefing should be received no later than 15 days after the NOPA is released.

## Scoring Scale

Using this Scoring Scale, the Evaluation Committee will give a score for each criterion described in the Evaluation Criteria.

|  |  |  |
| --- | --- | --- |
| **% of Possible Points** | **Interpretation** | **Explanation for Percentage Points** |
| 0% | Not Responsive | Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable. |
| 10-30% | Minimally Responsive | Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable. |
| 40-60% | Inadequate | Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution. |
| 70% | Adequate | Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable. |
| 75% | Between Adequate and Good | Response better than adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable. |
| 80% | Good | Response fully addresses the requirements being scored with a good degree of confidence in the applicant’s response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable. |
| 85% | Between Good and Excellent | Response fully addresses the requirements being scored with a better than good degree of confidence in the applicant’s response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable. |
| 90% | Excellent | Response fully addresses the requirements being scored with a high degree of confidence in the applicant’s response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations. |

|  |  |  |
| --- | --- | --- |
| 95% | Between Excellent and Exceptional | Response fully addresses the requirements being scored with a better than excellent degree of confidence in the applicant’s response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations. |
| 100% | Exceptional | All requirements are addressed with the highest degree of confidence in the applicant’s response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution. |

## Evaluation Criteria

|  |  |  |
| --- | --- | --- |
| **Criterion** | **Possible Points** | |
| **Team Qualifications**  Applications will be evaluated on the degree to which:   * The project team’s manufacturing qualifications and experience are suitable to the tasks described in the proposed Scope of Work. * The team can support manufacturing products, increasing sales, securing capital, and establishing a reliable supplier network. * The team demonstrates the ability to respond to and mitigate proposed project delays, manage cash flow, leverage capital, and address supplier delays. | | 10 |
| **Business Operations**  Applications will be evaluated on the degree to which:   * **The Applicant provides audited and certified financial statements by a Certified Public Accountant.** * The Applicants’ financial statements and third-party financial assessments demonstrate positive cash flow, revenue, sales trends, a pathway toward profitability, and verification of existing business. * The Applicants’ pro forma information and assumptions are reasonable are supported by previous company investments, staffing levels, supply chains, and market share trends for the company’s product(s).   ***NOTE: Applications must obtain a minimum passing score of 70 percent (10.5 points) within this evaluation criterion to be eligible for funding.*** | | 15 |
| **Manufacturing Operations**  Applications will be evaluated on the degree to which:   * The Applicant has documented one or more manufacturing line(s), from inventory to shipping, with facility layout map(s) and photographs that identify workstations and work flow. * The Applicant has robust processes in analyzing returned products under warranty, customer service, and other lessons learned that can inform product design and development and reduce costs. * Staffing plans and workforce training and development plans to meet the labor investments are sufficient and reasonable to support manufacturing operations and projected growth. * The proposed project includes innovations, functionalities, sustainability practices, or enhancing features that will be incorporated into products or manufacturing processes. * The Applicant identifies market barriers and details effective sales strategies, customer service approaches, and other solutions to overcome those market barriers. * The Applicant demonstrates they have the ability (via patents, intellectual property developed or owned by the Applicant, or other means) to manufacturer the proposed products. * The Applicant demonstrates an established supply chain. * The supply chain draws from California suppliers. | | 30 |
| Implementation  Applications will be evaluated on the degree to which:   * The tasks in the Scope of Work and the dates in the Project Schedule and Due Dates are complete, sequential, and will lead to successful and timely completion of the proposed project. * The Applicant demonstrates site control for the proposed project. * The Applicant has progressed in obtaining permits for the proposed project. * The proposed project has progressed towards achieving compliance under the California Environmental Quality Act (CEQA). | | 10 |
| Budget  Applications will be evaluated on the degree to which:   * The proposed budget is cost-effective and appropriate to the purpose of this solicitation. * Administrative and overhead expenses are minimized. * State funds are necessary for the proposed project. * The source, type, and amount of Match Share funds are described, documented, and committed to the proposed project. | | 15 |
| **Benefits**  Applications will be evaluated on the degree to which:   * The proposed project results in ~~a higher ratio~~ of CO2-equivalent reduced (in tons) per dollar of Energy Commission investment for the proposed project term. * The proposed project will accelerate the deployment of ZEVs or ZEV infrastructure technologies into the market and will further accelerate the deployment of ZEVs in California and beyond. * The manufactured technology is expected to compete with incumbent technologies, services, and/or products currently in the marketplace. * The project will benefit DACs and workers within DACs in accordance with CalEnviroScreen 3.0 Tool. * The project will create permanent and/or temporary jobs in California. * The project generates state and local taxes. * The project will expand opportunities for California suppliers. | | 20 |
| **Total Possible Points** | | 100 |
| **Minimum Passing Score (70%)** | | 70 |

## Tie Breakers

If the scores for two or more applications are tied, the application with a highest total score in the following criteria will be ranked higher:

1. Business Operations

2. Manufacturing Operations

3. Benefits

If still tied, an objective tie-breaker (such as a random drawing) will be utilized.

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# V. Administration

## Definition of Key Words

Important definitions for this solicitation are presented below:

|  |  |
| --- | --- |
| **Word/Term** | **Definition** |
| Applicant | Respondent to this solicitation |
| Application | Formal written response to this document from applicant |
| CAM | Commission Agreement Manager |
| CAO | Commission Agreement Officer |
| Energy Commission | California Energy Commission |
| EVSE | Electric Vehicle Supply Equipment refers to charging equipment that is external to the vehicle and used to charge a plug-in electric vehicle. |
| **EVSE Components** | **Refers to the software, firmware, and/or hardware components of an EVSE.** |
| GAAP | Generally Accepted Accounting Principles |
| HRSE | Hydrogen Refueling Station Equipment refers to the complete commercial hydrogen refueling station system needed to provide hydrogen fuel to power a fuel cell electric vehicle. |
| Manufacturing | Refers to manufacture, assembly, or production of a product or service for commercial sale. |
| **Operations and Maintenance** | **Refers to the performance of routine, preventive, and scheduled/unscheduled action and activities required to maintain and operate manufacturing facility/equipment.** |
| **Supply Chain** | **Refers to the network between the Applicant and its suppliers that manufactures a product for commercial sale.** |
| Solicitation | Grant Funding Opportunity, which refers to this entire solicitation document and all its attachments and exhibits |
| State | State of California |
| Workforce | Refers to the direct labor, staff, or employees of the Applicant |
| **Zero-Emission Vehicle** | **Refers to a vehicle that produces zero exhaust emissions of criteria pollutants or greenhouse gases.** |

## Cost of Developing Application

The applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State.

## Confidential Information

The Energy Commission will not accept or retain any applications that have any portion marked confidential except for allowable confidential information submitted in accordance with Section III, separated and clearly labeled as confidential.

## Solicitation Cancellation and Amendments

It is the policy of the Energy Commission not to solicit applications unless there is a bona fide intention to award an agreement. However, if it is in the State’s best interest, 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 this solicitation as needed.
* Reject any or all applications received in response to this solicitation.

If the solicitation is amended, the Energy Commission will send an addendum to all parties who requested the solicitation and will also post it on the Energy Commission’s website at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts).

## Errors

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation, the applicant shall immediately notify the Energy Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice of all parties who requested the solicitation, without divulging the source of the request for clarification. The Energy Commission shall not be responsible for failure to correct errors.

## Modifying or Withdrawal of Application

An applicant may, by letter to the Commission Agreement Officer at the Energy Commission, withdraw or modify a submitted application before the deadline to submit applications. Applications cannot be changed after that date and time. However, an application may still be withdrawn. An application cannot be “timed” to expire on a specific date. For example, a statement such as the following is non-responsive to the solicitation: “This application and the cost estimate are valid for 60 days.”

## Immaterial Defect

The Energy Commission may waive any immaterial defect or deviation contained in an applicant’s application. The Energy Commission’s waiver shall in no way modify the application or excuse the successful applicant from full compliance.

## Disposition of Applicant’s Documents

The entire evaluation process from receipt of applications up to the posting of the Notice of Proposed Award is confidential. On the Notice of Proposed Award posting date, or date of solicitation cancellation, all applications and related material submitted in response to this solicitation become a part of the property of the State and public record. Applicants who want any work examples they submitted with their applications returned to them shall make this request and provide either sufficient postage or a Courier Charge Code to fund the cost of returning the examples.

## Applicants’ Admonishment

This solicitation contains the instructions governing the requirements for a firm quotation to be submitted by interested applicants, the format in which the technical information is to be submitted, the material to be included, the requirements which must be met to be eligible for consideration, and applicant responsibilities. Applicants must take the responsibility to carefully read the entire solicitation, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, and make sure that all procedures and requirements of the solicitation are followed and appropriately addressed.

## Agreement Requirements

The content of this solicitation shall be incorporated by reference into the final agreement. See the sample agreement terms and conditions included in this solicitation.

The Energy Commission reserves the right to negotiate with applicants to modify the project scope, the level of funding, or both. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project.

The Energy Commission must formally approve all proposed grant awards. ARFVTP agreements for over $75,000 must be scheduled and considered at an Energy Commission Business Meeting for approval by the Energy Commission.

Public agencies that receive funding under this solicitation must provide an authorizing resolution approved by their governing authority to enter into an agreement with the Energy Commission and designating an authorized representative to sign.

The Energy Commission will send the approved agreement, including the general Terms and Conditions and any additional terms and conditions, to the grant recipient for review, approval, and signature. Once the grant recipient signs, the Energy Commission will fully execute the agreement. Recipients are approved to begin the project only after full execution of the agreement.

## No Agreement Until Signed and Approved

No agreement between the Energy Commission and the successful applicant is in effect until the agreement is signed by the Recipient, approved at an Energy Commission Business Meeting, and signed by the Energy Commission representative.

The Energy Commission reserves the right to modify the award documents prior to executing the agreement.

1. http://business.ca.gov/Portals/0/ZEV/2018-ZEV-Action-Plan-Priorities-Update.pdf [↑](#footnote-ref-1)
2. <http://www.energy.ca.gov/altfuels/2016-ALT-02/documents/> [↑](#footnote-ref-2)
3. [www.energy.ca.gov/altfuels/2017-ALT-01/documents/](http://www.energy.ca.gov/altfuels/2017-ALT-01/documents/) [↑](#footnote-ref-3)
4. <https://www.gov.ca.gov/2018/01/26/governor-brown-takes-action-to-increase-zero-emission-vehicles-fund-new-climate-investments/> [↑](#footnote-ref-4)
5. <http://business.ca.gov/Portals/0/ZEV/2018-ZEV-Action-Plan-Priorities-Update.pdf> [↑](#footnote-ref-5)
6. <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30> [↑](#footnote-ref-6)