**GRANT FUNDING OPPORTUNITY**

**Clean Transportation Program**

**Renewable Hydrogen Transportation Fuel Production**



**Addendum 4**

**GFO-20-609**

<https://www.energy.ca.gov/funding-opportunities/solicitations>

**State of California**

**California Energy Commission**

July 2021

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# I. Introduction

NOTE ABOUT SIGNATURES

The CEC may have waived the requirement for a signature on application materials for this solicitation for electronic submissions. If a notice, regarding CEC’s waiver of the signature requirement appears here: <https://www.energy.ca.gov/funding-opportunities/solicitations>, the waiver applies to this solicitation. In the event of a conflict between the notice and any language in this solicitation regarding signatures, the notice will govern.

Even if the requirement for signatures has been waived, applicants are still expected to adhere to the requirements of this solicitation as if they had signed.

## Purpose of Solicitation

This is a competitive grant solicitation. The California Energy Commission’s (CEC’s) Clean Transportation Program announces the availability of up to $7,000,000 in grant funds for projects to design, engineer, construct, install, test, operate, and maintain a hydrogen facility in California that will produce 100 percent renewable hydrogen from in-state renewable resource(s). The facility, once constructed and operational, will be a source of 100% renewable hydrogen which will be utilized for transportation fuel. Projects will produce hydrogen that will meet California regulations when dispensed at the station for use in on-road fuel cell electric vehicles (FCEVs), both light-duty and medium-/heavy-duty.

As directed by California Health & Safety Code, Section 44272 *et seq*., and the Clean Transportation Program 2020-2021 Investment Plan Updates,[[1]](#footnote-2) the intent of this solicitation is to encourage the production of alternative and renewable transportation fuels in California that can significantly reduce greenhouse gas (GHG) emissions, reduce petroleum fuel demand, and stimulate economic development.

## Background

Assembly Bill (AB) 118 (Nùñez, Chapter 750, Statutes of 2007), created the Clean Transportation Program, formerly known as the Alternative Renewable Fuels and Vehicle Technology Program. The statute authorizes the CEC 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, Statutes of 2013) re-authorized the Clean Transportation Program through January 1, 2024.

The Clean Transportation Program 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.

## Commitment to Diversity

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

* Ensure potential new applicants throughout the state are aware of the CEC's Clean Transportation Program and the funding opportunities the program provides.
* Encourage greater participation by underrepresented groups including small businesses and women-, minority-, disabled veteran-, and lesbian, gay, bisexual, and transgender (LGBT) -owned businesses.
* Assist applicants in understanding how to apply for funding from the CEC's Clean Transportation Program.

## 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 | April 9, 2021 |
| Deadline for Written Questions**\*** | April 28, 2021 at 5:00 p.m. |
| Pre-Application Workshop**\*** | April 23, 2021 at 10:00 a.m. |
| Anticipated Distribution of Questions/Answers and Addenda (if any) to solicitation | Week of May 17, 2021 |
| **Pre-Application Abstract Due by 5:00 p.m.\*** | June 16, 2021 |
| Anticipated Posting of Pre-Application Abstract Results | July 21, 2021 |
| Deadline for Written Questions**\*** | July 28, 2021 at 5:00 p.m. |
| Anticipated Distribution of Questions/Answers and Addenda (if any) to solicitation | Week of August 23, 2021 |
| **Deadline to Submit Full Applications by 5:00 p.m.\*** | September 22, 2021 |
| Anticipated Notice of Proposed Awards Posting  | November 2021 |
| Anticipated CEC Business Meeting  | February 2022 |

## 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 CEC 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 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 CEC reserves the right to recommend partially funding that proposal. In this event, the proposed Applicant/Awardee and Commission Agreement Manager (CAM) shall meet and attempt to reach agreement on a reduced scope of work commensurate with the level of available funding.

## Availability of Funds and Maximum Award Amounts

A total of $7,000,000 is available for awards under this solicitation. The maximum award amount will be 50% of total project costs or $3.0 million, whichever is less. Unless the CEC 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 until all funds available under this solicitation are exhausted.

## Maximum Number of Applications

Applicants may submit multiple applications under this solicitation. Each proposed project must be separate and distinct and adhere to all requirements contained in 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 remotely through Zoom at the date and time listed below. Please the Commission Agreement Officer listed in paragraph K. below or refer to the CEC's website at <https://www.energy.ca.gov/funding-opportunities/solicitations> to confirm the date and time.

**April 23, 2021**

10:00 a.m. – Noon

**Remote Access Only**

Remote access is available by computer or phone via Zoom.

## Participation Through Zoom

Zoom is the CEC's online meeting service. When attending remotely, presentations will appear on your computer/laptop/mobile device screen, and audio may be heard via the device or telephone. Please be aware that the Zoom meeting will be recorded.

**Zoom Instructions:**

To join this workshop, go to [Zoom](https://energy.zoom.us/j/92243243137?pwd=cUwzaTh1UE9HZEpRRUsvVk5Db1NlQT09) at <https://energy.zoom.us/j/96906594287?pwd=VWlHWTVrZFlNaHUxQW42Tkc1OWxqQT09> . You may also access the workshop by going to the [Zoom webpage](https://join.zoom.us) at https://join.zoom.us and enter the unique meeting ID and password below:

**Meeting ID:** 969 0659 4287

**Meeting Password:** Webinar@10

**Topic:** Pre-Application Workshop for Renewable Hydrogen Transportation Fuel Production

**Telephone Access Only:** Call (888) 853-5257 or (888) 475-4499(toll-free). When prompted, enter the unique meeting ID number above. To comment over the telephone, dial \*9 to “raise your hand” and \*6 to mute/unmute your phone line. International numbers available: <https://energy.zoom.us/u/abAmnAr5Jk>.

**Technical Support:**

For assistance with problems or questions about joining or attending the meeting, please call Zoom technical support at (888) 799-9666 ext. 2, or you may contact the CEC’s Public Advisor’s Office at publicadvisor@energy.ca.gov, or (800) 822-6228.

## 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 electronic mail. However, all questions must be received by 5:00 p.m. on the date listed in the Key Activities and Dates table listed in this solicitation.

Question and answer sets will be posted on the CEC’s website at: <https://www.energy.ca.gov/funding-opportunities/solicitations>.

Any verbal communication with a CEC 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) 827-9241

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:

1. [*2018-2019 Investment Plan Update for the Clean Transportation Program*](https://efiling.energy.ca.gov/getdocument.aspx?tn=223420) (CEC-600-2017-008).

<https://efiling.energy.ca.gov/getdocument.aspx?tn=223420>

2) [*2019-2020 Investment Plan Update for the Clean Transportation Program*](https://efiling.energy.ca.gov/getdocument.aspx?tn=231247) (CEC-600-2018-005-SD-LCF-REV2).

<https://efiling.energy.ca.gov/getdocument.aspx?tn=231247>

3) Applicants must comply with all ***applicable***federal, state, and municipal laws, rules, codes, and regulations, such as Code of Federal Regulations (CFR), Title 48 Federal Acquisition Regulations System (2016).

Applicants shall explain how the 100 percent renewable hydrogen produced at the proposed facility(ies) shall not preclude compliance with the following California Code of Regulations (CCR), National Fire Protection Association (NFPA) code, and Code of Federal Regulations (CFR).

* CCR Title 4 Business Regulations, Division 9 Measurement Standards, Chapter 1 Tolerances and Specifications for Commercial Weighing and Measuring Devices, Article 1 National Uniformity, Exceptions and Additions, Sections – 4001. Exceptions and 4002. Additional Requirements, Subsection 4002.9, Hydrogen Gas-Measuring Devices (3.39).
* CCR Title 4 Business Regulations, Division 9 Measurement Standards, Chapter 6 Automotive Products Specifications, Article 8 Specifications for Hydrogen Used in Internal Combustion Engines and Fuel Cells, Sections 4180 and 4181.
* CCR Title 24 California Building Standards Code, Part 2 California Building Code, Vol. I, Chapter 11B – Accessibility to Public Buildings, Public Accommodations, Commercial Building and Publicly Funded Housing.

* National Fire Protection Association (NFPA), Quincy, MA. NFPA 2: Hydrogen Technologies Code: 2020.
* National Fire Protection Association (NFPA), Quincy, MA. NFPA 55: Compressed Gases and Cryogenic Fluids Code: 2020.
* U.S. Department of Labor, Occupational Safety and Health Administration (OSHA): 29 CFR 1910.103 Hydrogen.

4) Applicants are encouraged to use the following tool when applying for funding under this solicitation:

* California Environmental Protection Agency, Office of Environmental Health Hazard Assessment, Sacramento, CA. CalEnviroScreen 3.0. <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>

5) Applicants are also encouraged to familiarize themselves with the following documents:

* Joint Agency Staff Report on Assembly Bill 8: 2019 Assessment of Time and Cost Needed to Attain 100 Hydrogen Refueling Stations in California (CEC-600-2019-039) [https://ww2.energy.ca.gov/2019publications/CEC-600-2019-039/CEC-600-2019-039.pdf](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fww2.energy.ca.gov%2F2019publications%2FCEC-600-2019-039%2FCEC-600-2019-039.pdf&data=04%7C01%7C%7C74d24f6de36a44a6978d08d8a07a3342%7Cac3a124413f44ef68d1bbaa27148194e%7C0%7C0%7C637435793993463448%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=VIcz6NH5rTDQ7f3%2BLJaVWdKWZez5EQXcakXpDnbBudU%3D&reserved=0)
* 2020 Annual Evaluation of Hydrogen Fuel Cell Electric Vehicle Deployment and Hydrogen Fuel Station Network Development <https://ww2.arb.ca.gov/sites/default/files/2020-09/ab8_report_2020.pdf>
* 2019 Low Carbon Fuel Standard Final Regulation Order <https://ww3.arb.ca.gov/regact/2019/lcfs2019/fro.pdf>

# II. Eligibility Requirements

## Applicant Requirements

1. **Eligibility**

This solicitation is open to all public and private entities. To be eligible, applicants must have a business presence in California.

1. **Terms and Conditions**

Each grant agreement resulting from this solicitation will include terms and conditions that set forth the recipient’s rights and responsibilities. By providing the required authorizations and certifications for the Pre-Application Abstract Form (Attachment 1A) and the Full Application Form (Attachment 1B), each applicant agrees to enter into an agreement, if awarded, with the CEC to conduct the proposed project according to the terms and conditions without negotiation. Please see Attachment 9 for the terms and conditions which apply to agreements awarded through this solicitation.

Failure to agree to the terms and conditions by taking actions such as failing to provide the required authorizations and certifications or indicating that acceptance is based on modification of the terms may result in rejection of the Application. Applicants must read the terms and conditions carefully. The CEC 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 a CEC 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 CEC prior to their project being recommended for approval at a CEC Business Meeting.

## Project Requirements

To be eligible for funding, projects must meet all the following requirements:

1. Install new 100 percent renewable hydrogen production capacity, of any technology, at an existing or new facility. Projects may modify other facility types and use pre-existing renewable resource facilities.
2. The proposed project must reduce on-road motor vehicle air emissions through use as a transportation fuel.
3. Applicants may only propose a single location per Application, andthe proposed project must be located in California. Project construction and operations must also occur in California.
4. The proposed project must use an eligible feedstock sourced within California, as discussed in the subsequent section on Eligible Feedstocks.
5. The proposed project must meet the Minimum Technical Requirements, as discussed in Section II.D.

## Eligible Feedstocks and Renewable electricity resources

Eligible renewable feedstocks include biomethane or biogas such as:

* Biomass digester gas
* Sewer (wastewater) gas
* Municipal solid waste gas from pre-landfilled material
* Other waste biomass feedstocks

Systems using other waste biomass feedstocks, such as biomass waste or residues, may be eligible if the application demonstrates that the proposed system and feedstock comprise a sustainable approach and reduces greenhouse gas (GHG) emissions compared to the relevant petroleum baseline determined by California Air Resources Board’s (CARB’s) Low Carbon Fuel Standard (98.47 gCO2e/MJ for gasoline, 102.01 gCO2e/MJ for diesel). Water is also an eligible feedstock. However, ***landfill gas is not an eligible renewable feedstock***, as directed by the 2019-2020 Investment Plan Update for the Clean Transportation Program.

Renewable electricity may be an eligible feedstock, if the renewable electricity either goes directly to the hydrogen production system or is connected via the grid from an in-state generation facility that has its first point of interconnection within the metered boundaries of a California balancing authority area. Renewable Electricity Certificates (RECs) must be retired in the Western Renewable Energy Generation Information System (WREGIS) for the production of hydrogen in the proposed system. Further information about WREGIS can be found at: [www.wecc.biz/WREGIS](http://www.wecc.biz/WREGIS).

Eligible renewable electricity sources include:

* Fuel cells using eligible renewable feedstocks
* Geothermal, small hydroelectric (30 megawatts or less)
* Ocean wave
* Ocean thermal
* Tidal current
* Photovoltaics (PV)
* Solar thermal
* Biomass
* Biomass digester gas
* Municipal solid waste conversion (non-combustion thermal process)
* Wind, as outlined in Section 25741(a)(1) of the California Public Resources Code, but excluding landfill gas[[2]](#footnote-3)

## Minimum Technical Requirements

To be eligible under this solicitation, proposed renewable hydrogen production facilities must, at a minimum, meet each of the following minimum technical requirements. Projects exceeding the minimum technical requirements will score higher in accordance with the evaluation criteria.

1. Renewable production capacity: The proposed project must have a nameplate capacity totaling at least 1,000 kilograms per day of new, 100% renewable hydrogen production that shall be dedicated for transportation fuel use.
2. In-state renewable resource: A 100% renewable resource sourced in California that shall be dedicated to the proposed hydrogen production facility (this includes REC generation, see Section II.C. for more details).
3. Hydrogen Purity: Hydrogen supplied by the hydrogen production facility(ies) funded under this solicitation must not preclude public hydrogen refueling stations from complying with CCR Title 4 Business Regulations, Division 9 Measurement Standards, Chapter 1 Tolerances and Specifications for Commercial Weighing and Measuring Devices, Article 1 National Uniformity, Exceptions and Additions, Sections – 4001 (Exceptions) and 4002 (Additional Requirements), Subsection 4002.9, Hydrogen Gas-Measuring Devices (3.39), and CCR Title 4 Business Regulations, Division 9 Measurement Standards, Chapter 6 Automotive Products Specifications, Article 8 Specifications for Hydrogen Used in Internal Combustion Engines and Fuel Cells, Sections 4180 and 4181 which adopts the requirements of Society of Automotive Engineers (SAE) International J2719: Hydrogen Fuel Quality for Fuel Cell Vehicles (Nov. 2015 revision, as of June 2017)[[3]](#footnote-4).

Disclaimer: Textual content contained within brackets to be removed.

The following project types ***ARE NOT*** eligible for funding under this solicitation:

* Paper studies, surveys, case studies, or research projects (e.g., a study which assesses the cost and feasibility of hydrogen production from renewable resources, lab benchtop-scale testing and prototypes for proof-of-concept).
* Development and demonstration of a pilot-scale system.
* Alternative uses of hydrogen, such as for energy storage, forklifts, cell towers, off-road vehicles, and chemical processing or refining. However, hydrogen produced in excess of the minimum production requirement (1,000 kilograms per day of nameplate capacity) may serve alternative uses.
* Resale or use of existing hydrogen production capacity. However, projects may co-locate at an existing hydrogen production facility(ies), but the existing capacity will neither be counted to meet the minimum technical requirements nor scored based on the evaluation criteria.
* Repurpose of an existing [~~Clean Transportation Program-~~] **CEC** funded project or public hydrogen refueling station. However, projects may co-locate at an existing [~~Clean Transportation Program-~~] **CEC** funded project or public hydrogen refueling station if it will not reduce the existing project’s or station’s performance.
* Hydrogen distribution and transportation without new hydrogen production that meet the minimum technical requirements.

## Eligible Project Costs

Costs incurred for the following activities are eligible for CEC reimbursement or as the Applicant’s match share:

1. Facility pre-engineering and design.
2. Engineering plans and specifications.
3. Building and facility construction, modifications, and/or commissioning.
4. Asset and/or equipment acquisition.

The CEC will not reimburse for land acquisition or fueling infrastructure, but this may be counted towards match share. See Match Funding Requirements.

NOTE: Costs incurred for operation of the facility, such as feedstock purchases, cost for transportation of feedstock, cost for transportation of fuel, costs of off-site fueling infrastructure, infrastructure costs of feedstock, and vehicle purchases and vehicle-related expenses are ineligible for reimbursement and match share cost. Costs incurred prior to executing an agreement will not be reimbursed by the CEC.

## Match Funding Requirements

1. Total Match Share Requirement

Applications must include a minimum 50 percent total match share of the **total allowable project costs**(i.e., the sum of CEC’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 percentage is calculated by dividing the total match share contributions by the total allowable project cost. *“*Total allowable project cost” is the sum of the CEC’s reimbursable share and Recipient’s match share of the project costs. 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 (Section II.F.2).
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 must 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 CEC.
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. Match share expenditures must be budgeted to ensure that match share expenditures are incurred concurrently or ahead of CEC reimbursable expenses.
7. 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).
8. Match share expenditures (cash and/or in-kind) must be documented, reasonable, allowable, and allocable to the project as determined by the CEC.
9. Match share expenditures are allowable under an agreement only if they are incurred after the CEC 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. Please note that non-match expenditures incurred prior to agreement execution are not reimbursable from CEC funds.
10. Any match funding pledged in the Full Application Form (Attachment 1B) must be consistent with the amount or dollar value described in the commitment letter(s) (e.g., if $5,000 “cash in hand” funds are pledged in a commitment letter, Attachment 1B must match this amount). Only the total amount pledged in the commitment letter(s) will be considered as eligible match.
11. Cash Match Share Requirement

Applications must include a minimum cash contribution equal to at least 50 percent of CEC funding.

For example, Project A, requesting $3 million in CEC funding and contributing $3 million in match funding, must dedicate at least $1.5 million in cash contributions. On the other hand, Project B, requesting $3 million in CEC funding and contributing $6 million in match funding, still need only dedicate at least $1.5 million in cash contributions.

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

Thebalance 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 (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 CEC Funding*** – Other sources of CEC funding may not be used as match share.
3. ***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.
4. ***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.
5. ***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.
6. ***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 CEC the relationship and be able to support the fair market value of property that is claimed as match.

If CEC 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 CEC 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 CEC. 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 CEC award. Only actual costs incurred and paid to the employee are allowable. Therefore, if an employee is actuallypaid $100 per hour and the CEC 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.

## Applicant Performance

An Applicant’s performance, if any, under an existing or prior CEC agreement will be considered as part of an Applicant’s score in the Past Performance criterion.

Furthermore, in addition to all rights afforded the CEC under the terms and conditions of any existing or prior agreements between the CEC and Applicant or any other rights afforded the CEC by law, the CEC reserves the right to cancel an agreement awarded under this solicitation due to poor performance by Applicant under an existing CEC agreement.

## Data Collection

Applicants that are awarded funds will be required to collect and submit facility operation and performance data to the CEC for a minimum of six (6) months after the production facility becomes operational.

## Agreement and Subcontract Execution

An Applicant to this solicitation that receives an award to develop a renewable hydrogen fuel production facility shall commit to executing its grant agreement with the CEC within 60 days after approval of the award at an CEC business meeting. Additionally, projects recommended for funding must execute all subcontracts (e.g., feedstock, technology, off-take agreements, match funds) within 90 days of the executed agreement with the CEC. The CEC reserves the right to cancel proposed awards that do not meet the agreement execution deadline, and without limitation of any other rights may cancel an awarded agreement for failure to meet the subcontract execution deadline.

## CEQA Compliance Timelines

1. ***Time is of the Essence.*** Funds available under this solicitation have encumbrance deadlines as early as **June 30, 2023**. Prior to approval of a proposed award, the CEC must comply with the California Environmental Quality Act (CEQA), and other applicable environmental review requirements. In general, the CEC 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 CEC 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 June 30, 2023 or risk having their projects not funded. Unfortunately, even with this information, the CEC 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 CEC to comply with CEQA, and other applicable environmental review requirements, and provide all related information to the CEC in a timely manner such that the CEC 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 CEC’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 CEC as soon as possible and **no later than six months after the NOPA is posted**. Earlier is better.

Applicants recommended for funding in the NOPA can improve the chance that the CEC 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 CEC’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 CEC 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 CEC’s ability to meet its encumbrance deadline may thereby be jeopardized, the CEC 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 CEC’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 CEC’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 CEC’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 CEC 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. Hydrogen Safety Plan

A Safety Plan is required for each proposed hydrogen production facility after an agreement is executed and during the project term. A Safety Plan is not required for the proposal submission. The CEC may consult with the Hydrogen Safety Panel (HSP) on the Safety Plans.

## A. Post-Award Requirements

Applicants who receive funding under this solicitation will be required to adhere to the following requirements:

1. Consult with the HSP, if these services are available, to develop a Safety Plan that, at a minimum, shall include the following aspects:
2. Scope of Work for the Safety Plan
3. Organizational Safety Information
* Organizational Policies and Procedures
* Hydrogen and Fuel Cell Experience
1. Project Safety
* Identification of Safety Vulnerabilities (ISV)
* Risk Reduction Plan
* Operating Procedures
* Equipment and Mechanical Integrity
* Management of Change (MOC) Procedures
1. Communications Plan
* Training
* Safety Reviews
* Safety Events and Lessons Learned
* Emergency Response
* Self-Audits

The safety plan should be developed in accordance with the United States Department of Energy’s (U.S. DOE’s) Hydrogen Safety Panel’s *Safety Planning for Hydrogen and Fuel Cell Projects,* dated November 2017, and available at:

<https://h2tools.org/sites/default/files/Safety_Planning_for_Hydrogen_and_Fuel_Cell_Projects-November2017_0.pdf>

1. ***Release and Incident Reporting:*** Recipients shall report unintended hydrogen releases or incidents pursuant to the California Health and Safety Code Section 25510(a) and the *Safety Planning for Hydrogen and Fuel Cell Projects* guidance document (<http://cersapps.calepa.ca.gov/Public/Directory>). A copy of any report submitted to the Certified Unified Program Agency (CUPA) shall be submitted to the CEC within 10 days in addition to any other required federal reporting (<http://h2tools.org/lessons>).
2. ***Annual Safety Evaluations:*** Should the CEC consult with the HSP for agreements funded under this solicitation, Recipients funded under this solicitation shall participate in annual safety evaluations with the HSP after the hydrogen production facility becomes operational, as defined in this solicitation, until the end of the grant agreement. The evaluations will include the facility’s adherence to the initial Safety Plan and any related Safety Plan implementation issues. The cost of the HSP’s participation in evaluations shall be at no cost to the participant. Site visits and safety evaluations via telephone may be conducted as part of the evaluations. Time required for Recipients’ participation in the annual safety evaluations are not eligible as CEC reimbursable expenses, but may be eligible as a match share expenditure.

# IV. Two-Phase Evaluation Process

This solicitation will follow a two-phase process.

## Pre-Application Abstract Screening and Technical Evaluation:

This phase consists of a Pre-Application Abstract Form (Attachment 1A) and a project abstract (limited to 3 pages) that will be screened using the Pre-Application Administrative Screening Criteria listed in Section VI.A. Pre-Application Abstracts that pass the Pre-Application screening will be scored using the Pre-Application Abstract Evaluation Criteria in Section VI.E. of this solicitation. Please see Section V for information on Pre-Application Abstract format, required documents, and delivery methods.

## Full Application Screening and Evaluation:

Passing Pre-Application Abstracts receiving a passing score will be eligible to submit a Full Application. Full Applications will be screened using the Full Application Administrative Screening Criteria listed in Section VIII.A. Applications that pass screening will be scored using the Full Application Evaluation Criteria in Section VIII.E. Please see Section VI for information on Full Application format, required documents, and delivery methods. **Full Applications must be consistent with previously submitted and passing Pre-Application Abstract.**

# V. Pre-Application Abstract Format, Required Documents, and Delivery

An Applicant must submit a Pre-Application Abstract to the CEC before being approved to submit a Full Application. ***Submission of Pre-Application Abstracts is mandatory.*** Pre-Application Abstracts will be screened and scored based on the Pre-Application evaluation criteria in Section VI.E. Pre-Application Abstracts receiving a passing score will be eligible to submit a Full Application. The results of the Pre-Application Abstract review will be provided to all applicants.

Applicants must submit a Pre-Application Abstract Form (Attachment 1A) and a separate abstract for each project by the date specified in the Key Activities and Dates table in Section I.D. of this solicitation.

## Required Format for a Pre-Application Abstract

This section contains the format requirements and instructions on how to submit a Pre-Application Abstract. The format is prescribed to assist the Applicant in meeting State requirements and to enable the CEC to evaluate each Pre-Application Abstract uniformly and fairly. Applicants must follow all Pre-Application Abstract format instructions, answer all questions, and supply all requested data.

All Pre-Application Abstracts submitted under this solicitation must be typed or printed using a standard 12‑point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled.

## Methods For Delivery

The method of delivery for this solicitation is the CEC’s General Solicitation System, available at: <https://gss.energy.ca.gov/>. This online tool allows applicants to submit their electronic documents to the CEC prior to the date and time specified in this solicitation. Electronic files must be in Microsoft Word, (.doc or .docx), Excel Office Suite (.xls or .xlsx), and Portable Document Format (.pdf) formats unless originally provided in the solicitation in another 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. You may contact the Commission Agreement Officer identified in Section I.K. of the solicitation for more assistance.

## Page Limitations

Each Pre-Application Abstract is limited to 3 pages. The Pre-Application Abstract Form or Past Performance Reference Form(s) do not count towards this page limitation.

## Pre-Application Abstract Organization / Required Documents

|  |  |
| --- | --- |
| Item | Attachment Number (if applicable) |
| Pre-Application Abstract Form | Attachment 1A |
| Pre-Application Abstract | N/A |
| Past Performance Reference Form(s) | Attachment 10 |

1. **Pre-Application Abstract Form**

Applicants must include a completed Pre-Application Abstract Form shown in Attachment 1A.

All applicants must authorize the CEC to make any inquiries necessary to verify the information presented in the Application.

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

* No confidential information will be submitted in the Pre-Application Abstract phase.
* 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 Pre-Application Abstract.
* The person electronically submitting the Pre-Application Abstract through the General Solicitation System is an authorized representative of the Applicant.

***For Applicants using the electronic submission through the General Solicitation System***, checking the “I Agree” box and clicking the “I Agree & Submit” button provides confirmation of the required authorizations and certifications listed above.

As a result of COVID-19, the CEC, until further notice, has waived the requirement for a wet signature on application materials for this solicitation. No signature, even electronic, is necessary. This waiver only applies to application materials due from this point forward, until further notice. The notice regarding the waiver of the signature requirement appears here: [https://www.energy.ca.gov/funding-opportunities/solicitations](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.energy.ca.gov%2Ffunding-opportunities%2Fsolicitations&data=01%7C01%7C%7Cf36fb62f04ee4064ee3708d82364184b%7Cac3a124413f44ef68d1bbaa27148194e%7C0&sdata=mlcqJHUI9RiSBxbKFIBlAG8gEC6In0fNtdSUt8YgXyI%3D&reserved=0).

1. **Pre-Application Abstract**

The Pre-Application Abstract is limited to a maximum of 3 pages. Applicants should address each of the Pre-Application Abstract screening and scoring criteria and provide sufficient, unambiguous detail so that the evaluation committee will be able to evaluate the abstract against each scoring criterion. Abstracts must respond directly to each criterion, titled with the appropriate section heading.

Additionally, Pre-Application Abstracts should include the following information:

**Project Summary**

1. Summarize the proposed project’s purpose and scope, quantitative and measurable objectives to be achieved, and volume of new annual production capacity.
2. Describe the technology employed to achieve objectives. The relevant graphical abstract could help to explain the process and the technology.
3. Describe the proposed project’s target market and economic viability.
4. Identify existing installation(s) of proposed technology(ies) or cite references that support the viability of the technology proposed.
5. List the project partners and subcontractors.

**Project Readiness and Implementation Schedule**

1. Include a schedule to complete CEQA activities for the proposed project, and the results of current discussions with the Lead Agency.
2. Include a schedule to complete permitting activities for the proposed project.
3. Provide the following information:
4. Volume of fuel committed to off-take agreements and customers.
5. Volume of feedstock dedicated to project.
6. Control of site and/or equipment.
7. Match funding commitments.

**Project Benefits and Cost Effectiveness**

1. Summarize the proposed project’s GHG reductions using the Calculations Table (Attachment 11).
2. Summarize the proposed project’s benefits to the project location, disadvantaged communities, and/or priority populations including job creation and other co-benefits.

**3. Applicant’s Past Performance:** Information provided to address past performance will not count towards the page limitations and should be addressed in Attachment 10, Past Performance Reference Form. Applicants should submit as many Attachment 10 forms as necessary.

The Applicant should address performance under current or prior agreements using public funding (e.g., contract, grant, or loan), including agreements with the CEC, other public agencies, and those that used Settlement Funds administered by a public agency. This must include all CEC agreements (e.g., contract, grant, or loan) within the last 10 years (if any) and the 5 most recent agreements with other public agencies within the past 10 years (if any). Applicants should indicate whether the projects were successfully completed in a timely manner. Applicants should:

1. Provide a list of all agreements (e.g. contract, grant, or loan)with the CEC received by the Applicant in the last 10 years (if applicable).
2. Provide a list of the 5 most recent agreements (e.g., contract, grant, or loan) with other public agencies received by the Applicant within the past 10 years (if applicable).
3. Provide references for the agreements received by the Applicant and identified above to verify the Applicant’s past performance. Each reference must include a contact person name and phone number (or email address). If contacted by CEC staff, references should be able to speak to the Applicant’s ability to successfully complete projects in a timely manner and their performance.
4. (For projects that did not complete (or timely complete) project objectives) Describe the challenges faced, what led to those challenges and indicate whether those challenges were within the Applicant’s control.
5. Describe any severe audit findings and how they were ultimately addressed and resolved.
6. Describe the final outcome of the project.

# VI. Pre-Application Abstract Evaluation Process and Criteria

## Pre-Application Abstract Evaluation

This section explains how Pre-Application Abstracts will be evaluated.

Pre-Application Abstracts will be evaluated and scored based on the responses to the information requested in this solicitation. Pre-Application Abstracts will first be screened for compliance with the Administrative and Technical Screening Criteria listed below. Each Pre-Application Abstract will then be evaluated and scored. The scores will be published as a Notice of Pre-Application Results (NOPAR).

The Application evaluation process from receipt of applications to posting of the Notice of Proposed Award (NOPA) is confidential. All submitted documents will become publicly available records after the NOPA is posted or if the solicitation is cancelled.

To evaluate all Pre-Application Abstracts, the CEC will organize an Evaluation Committee. The Evaluation Committee may consist of CEC staff or staff of other California state entities. Only passing Pre-Application Abstracts are eligible to submit a Full Application.

* 1. **Screening Criteria**

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

* 1. **Pre-Application Abstract Administrative Screening Criteria**

|  |  |
| --- | --- |
| **Pre-Application Abstract ADMINISTRATIVE Screening Criteria** *The Pre-Application Abstract must pass ALL administrative screening criteria.* | **Pass/Fail** |
| * The Pre-Application Abstract is received by the CEC’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 |
| * The Applicant provides the required authorizations and certifications.
 | [ ]  Pass [ ]  Fail |
| * The Applicant has not included a statement that is contrary to the required authorizations and certifications.
 | [ ]  Pass [ ]  Fail |

* 1. **Pre-Application Abstract Technical Screening Criteria**

|  |  |
| --- | --- |
| **Pre-Application Abstract Technical Screening Criteria** *The Pre-Application Abstract 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 requirement of 50%.
 | [ ]  Pass [ ]  Fail |
| 1. Applicant has provided a Pre-Application Abstract Form and a Pre-Application Abstract.
 | [ ]  Pass [ ]  Fail |
| 1. The Applicant passes the past performance screening criteria.
 | [ ]  Pass [ ]  Fail |

1. **Application’s Past Performance Screening Criterion (Pass/Fail)**

An applicant may be disqualified under this solicitation due to severe performance issues under one or more prior or active Energy Commission agreement(s) within the last 10 years. An applicant subject to past performance scrutiny is defined as at least one of the following: the business, principal investigator, or lead individual acting on behalf of themselves—received funds from the Energy Commission (e.g., contract, grant, or loan) and entered into an agreement(s) with the Commission. Any applicant that does not have an active or prior agreement equates to no severe performance issues and therefore would pass this screening criteria.

Severe performance issuesare characterized by significant negative outcomes under an agreement and may include:

* + Agreement was terminated with cause.
	+ CEC filed litigation against the applicant.
	+ Severe audit findings are or were not resolved to CEC’s satisfaction. Severe audit findings may include but not limited to: incomplete or unsatisfactory deliverables; grant funds used inappropriately (i.e., other than as represented); or questioned costs.
	+ Project objectives were not met and were caused by factors that are, or should have been, within the Recipient’s control.
	+ Significant delays in project completion resulting in delayed benefits for California. Project completion delays of one year or more from the originally proposed project schedule and caused by factors within the Recipient’s control may be considered significant.
	+ Deliverables were not submitted to the CEC or were of poor quality. For example, Recipient delivers poorly written reports that required significant rework by staff prior to acceptance or publication.
	+ Demonstrated and documented poor or delayed communication when significant issues or setbacks were experienced that materially and negatively impacted the project. For example, delays in informing the CEC when the Recipient experiences loss of a key project partner or site control may be considered significant.
	1. **Grounds to Reject an Application**

In addition to the Screening Criteria identified within this solicitation, the CEC 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 Pre-Application Abstract contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Applicant.
2. The Pre-Application Abstract 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 Pre-Application Abstract 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**

Pre-Application Abstracts that pass all Pre-Application Abstract screening criteria will be submitted to the Evaluation Committee to review and score based on the Pre-Application Abstract Scoring Criteria in this solicitation.

The Evaluation Committee will consist of CEC staff. 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 CEC for the purpose of clarification and verification of information provided in the Pre-Application Abstract. However, these interviews may not be used to change or add to the contents of the original Pre-Application Abstract. Applicants will not be reimbursed for time spent answering clarifying questions.

The total score for each Pre-Application Abstract will be the average of the combined scores of all Evaluation Committee members. A minimum score of 70 percent is required for eachscoring criterion in the Pre-Application Abstract for the Applicant to be eligible to submit a Full Application.

## Notice of Pre-Application Abstract Results

Upon completion of Pre-Application Abstract scoring, a NOPAR will be posted at the CEC’s headquarters in Sacramento, posted on the CEC’s website, and mailed to all parties that submitted a Pre-Application Abstract.

## Pre-Application Abstract Debriefings

After posting the NOPAR, Pre-Application Abstracts failing the Pre-Application screening or failing to achieve a passing score may request a debriefing from the Evaluation Committee. Pre-Application Abstract debriefings must be requested within 15 days after posting of the NOPAR.

## 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. |

## Pre-Application Abstract Evaluation Criteria

Pre-Application Abstracts that pass screening will be scored based on the following scoring criteria. Pre-Application Abstracts should include adequate information in the Pre-Application Abstract Form and in the written Pre-Application Abstract to address all screening and scoring criteria.

The total score for each Pre-Application Abstract will be the average of the combined score of all Evaluation Committee members. Only Pre-Application Abstracts with a score of 70 percent or higher on ***each*** Pre-Application Abstract Evaluation Criterion will be eligible to submit a Full Application.

|  |  |
| --- | --- |
| **Pre-Application Abstract Evaluation Criteria** | **Maximum Possible Points** |
| **1. Project Summary –** Pre-Application Abstracts will be evaluated on the degree to which:1. The proposed project’s purpose and scope can achieve the Applicant’s quantitative and measurable objectives, including proposed volume of annual production capacity.
2. The proposed project’s proposed technology(ies) are viable and contribute to the project’s purpose and scope.
3. The proposed project partners and subcontractors are suitable to the proposed project’s purpose and scope.
4. The Applicant demonstrates how the proposed project will successfully compete in the California marketplace.

***NOTE: Pre-Application Abstracts must obtain a minimum passing score of 14 points within this evaluation criterion to be eligible to submit a Full Application.*** | 20 |

|  |  |
| --- | --- |
| **2. Project Readiness and Implementation Schedule –** Pre-Application Abstracts will be evaluated on the degree to which:1. The proposed project has succeeded in obtaining compliance under the California Environmental Quality Act (CEQA) or Applicant has provided a schedule for obtaining CEQA compliance and the schedule is feasible within the timeframes specified in this solicitation.
2. The required permitting for the proposed project has been completed or Applicant has provided a schedule for obtaining required permitting and schedule is feasible within the timeframes specified in this solicitation.
3. Fuel off-take agreements and customers are identified and committed; feedstock sources are identified and committed to the project.
4. Site control has been secured.
5. Match funding commitments are secured.

***NOTE: Pre-Application Abstracts must obtain a minimum passing score of 14 points within this evaluation criterion to be eligible to submit a Full Application.*** | 20 |
| **3. Project Benefits and Cost Effectiveness –** Pre-Application Abstracts will be evaluated on the degree to which:1. The proposed project maximizes GHG emission reductions.
2. The proposed project minimizes CEC dollars per metric ton of GHG emissions reduced on an annual and 5-year project life basis.
3. The project’s benefits (including, but not limited to: emissions reductions, benefits to disadvantaged communities and priority populations, job creation, and other co-benefits) are quantified and documented.

***NOTE: Pre-Application Abstracts must obtain a minimum passing score of 14 points within this evaluation criterion to be eligible to submit a Full Application.*** | 20 |
| **Total Possible Points** | **60** |

# VII. Full Application Format, Required Documents, and Delivery

## Required Format for a Full Application

This section contains the format requirements and instructions on how to submit a Full Application. The format is prescribed to assist the Applicant in meeting State requirements and to enable the CEC to evaluate each Full Application uniformly and fairly. Applicants must follow all Full Application format instructions, answer all questions, and supply all requested data. ***Only those projects that received a Pre-Application Abstract passing score are eligible to submit a Full Application.***

All Full Applications submitted under this solicitation must be typed or printed using a standard 12‑point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled.

## Methods For Delivery

The method of delivery for this solicitation is the CEC’s General Solicitation System, available at: <https://gss.energy.ca.gov/>. This online tool allows applicants to submit their electronic documents to the CEC prior to the date and time specified in this solicitation. Electronic files must be in Microsoft Word, Excel Office Suite, and Portable Document Format formats unless originally provided in the solicitation in another format. Completed Budget Forms (Attachment 5) must be in Excel format. The system will not allow Full 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. You may contact the Commission Agreement Officer identified in Section I.K of the solicitation for more assistance.

## Page Limitations

The number of pages for each Full Application is limited to 30 pages. Application forms, table of contents, executive summaries, resumes, scope of work, schedule of products and due dates, budget forms, contact list, letters of support/commitment, CEQA worksheet, Localized Health Impacts Information, Past Performance Reference, Calculation Tables, and Evaluation Criteria for Priority Population forms do not count towards this page limitation.

## Confidential Information

Sections of the Business Plan (see Full Application Evaluation Criterion 2) specified as follows may be provided as confidential information if submitted as a separated, clearly-labeled volume of the Application.

Specifically, corporate financial records, technology trade secrets, and price components of feedstock purchase agreements and off-take agreements provided to meet the requirements of this section may be submitted to the CEC as confidential information as part of a clearly-labeled, separated volume of the Full Application.

Corporate financial records include: balance sheets and cash flow statements, and 5-year pro forma statements.

A technology trade secret is defined as a formula, practice, process, design, instrument, pattern, commercial method, or compilation of information which is not generally known or reasonably ascertainable by others, and by which a business can obtain an economic advantage over competitors or customers.

Price components, such as the price received for goods sold of feedstock purchase agreements and off-take agreements, will be kept confidential. Applicants should submit two copies of such agreements: one with price information redacted that is included in the non-confidential portion of the Full Application, and another with price information shown that is included in the separate section of confidential documents.

***NOTE:*** Award recipients will be required to adhere to all invoice requirements including sufficient and appropriate documentation to substantiate both reimbursable and match share expenditures. All invoice documentation will become public records, including the identity of the subcontractor or supplier and the prices of eligible expenses.

The specified technology, marketing, and financial information requested from Applicants will be kept confidential by the CEC, pursuant to California Government Code sections 6254(k) and 6254.15 unless the CEC is ordered to release it by a court or other entity with jurisdiction over the issue or the information otherwise becomes public.

The specified technology, marketing, and financial information described above will be kept confidential from receipt to seven (7) years following the posting of the NOPA, after which time the records will become public.

Information provided by Applicants, other than the specified technology, marketing, and financial information eligible for and submitted as confidential information is only confidential until the release of the NOPA. The CEC does not warrant that information, other than the specific information described within this solicitation, will be kept confidential following the posting of the NOPA. Applicants should not submit materials that are marked or otherwise delineated as confidential, except for the technical, financial and marketing information specified herein. Any such materials will be returned to the Applicant and not considered.

Information clearly marked and meeting the confidentiality provisions of the solicitation will not count towards the 30-page limit of the Full Application.

## Full Application Organization

|  |  |
| --- | --- |
| **Item** | **Attachment Number (if applicable)** |
| Full Application Form | Attachment 1B |
| 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 |
| Project Team | N/A |
| Previous Work Products (Optional) | N/A |
| Budget Forms | Attachment 5 |
| Contact List | Attachment 6 |
| Letters of Support/Commitment  | N/A |
| CEQA Worksheet | Attachment 7 |
| Photographic Evidence | N/A |
| Localized Health Impacts Information Form | Attachment 8 |
| Confidential Volume (if applicable, see Section VII.D) | N/A |
| Past Performance Reference Form | Attachment 10 |
| Calculation Table | Attachment 11 |
| Evaluation Criteria for Priority Populations | Attachment 12 |

1. **Full Application Form**

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

All applicants must authorize the CEC to make any inquiries necessary to verify the information presented in the Full Application. Further, all applicants must authorize the CEC to obtain a credit report on the Applicant’s organization.

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

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

***NOTE: The CEC reserves the right to determine whether confidential information submitted adheres to the confidentiality requirements contained in the solicitation and state law, including CEC 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 Full 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 Full Application through the General Solicitation System is an authorized representative of the Applicant.

***For Applicants using the electronic submission through the General Solicitation System***, checking the “I Agree” box and clicking the “I Agree & Submit” button provides confirmation of the required authorizations and certifications listed above.

As a result of COVID-19, the CEC, until further notice, has waived the requirement for a wet signature on application materials for this solicitation. No signature, even electronic, is necessary. This waiver only applies to application materials due from this point forward, until further notice. The notice regarding the waiver of the signature requirement appears here: [https://www.energy.ca.gov/funding-opportunities/solicitations](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.energy.ca.gov%2Ffunding-opportunities%2Fsolicitations&data=01%7C01%7C%7Cf36fb62f04ee4064ee3708d82364184b%7Cac3a124413f44ef68d1bbaa27148194e%7C0&sdata=mlcqJHUI9RiSBxbKFIBlAG8gEC6In0fNtdSUt8YgXyI%3D&reserved=0).

1. **Table of Contents**

Each Full 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 Full 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 two (2) pages. This will not count towards the page limitation.

1. **Project Narrative**

The Project Narrative is limited to a maximum of 30 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 should address each of the Full Application evaluation criteria described in Section VIII.E by providing sufficient, unambiguous detail so that the evaluation committee will be able to evaluate the Full Application against each evaluation criterion. Full Applications must respond directly to each criterion, with the headings as titled below, and include the following information:

* + 1. **Project Team Qualifications**
1. Describe how the project team’s qualifications (including relevant expertise, experience, and skill sets) are suitable to the tasks described in the proposed Scope of Work.
2. Describe verifiable experience related to hydrogen production, storage, distribution, and/or use.
3. Explain and demonstrate how project team members’, key project partners’, Engineering, Procurement, and Construction contractor’s (EPC), and technology provider’s qualifications, skills, abilities, and relevant technical and business experience align with the needs of the project and with the successful completion of the proposed project.

	* 1. **Business Plan**
4. ***Technology Plan.***
	* + 1. Describe the technology in sufficient detail to explain how it works and its technical feasibility. Graphical or flow diagrams may be used to illustrate the technology and process. Performance test data for the technology being used should be provided to support feasibility claims.
			2. Describe the proposed project’s technology readiness for commercial scale production. Provide verification contacts if applicable. Describe how the proposed technology is adequate to achieve the goals and objectives of the proposed project.
			3. Describe how proposed technologies and processes contribute to the facility’s / project’s ability to compete in the commercial California marketplace and increase the in-state production of renewable hydrogen. Provide assumptions and sources of relevant data.
			4. Identify and document the role of technology partners, including the legal or contractual relationship and obligations between partners.
			5. Discuss the replicability of the proposed technology and/or the long-range scale-up plans to expand capacity, if applicable.
			6. Discuss how the proposed technology is a transformative approach to tackling a critical technology issue or market barrier, if applicable.
5. ***Marketing Plan.***
6. Identify credible target markets, populations, market drivers, and anticipated market growth.
7. Identify and adequately address identified market barriers and existing or potential competition.
8. Describe and document the role of strategic marketing partners, customers, and other partners in ensuring project success, including fuel and co-product off-take agreements.

Identify and adequately address identified market barriers and existing or potential competition.

Describe and document the role of strategic marketing partners, customers, and other partners in ensuring project success, including fuel and co-product off-take agreements.

1. ***Financial Plan.***
2. Demonstrate economic viability of the proposed project by providing the following financial documentation (with assumptions listed) over the duration of the proposed project.

	* + - 1. Provide balance sheet and cashflow statement for Applicant’s firm for the past three (3) years, as available. Years should include 2018, 2019, and 2020, if applicable. Documents are preferred toaudited and certified by Certified Public Accountant (CPA). If audited financial statements for 2018, 2019, and 2020 are not available by submission date, then financial statements certified by a CPA are acceptable. If certified financial statements for 2018, 2019, and 2020 are not available by submission date, then non-certified financial statements are acceptable. Note that non-certified financial statements will receive a lower score versus audited and certified financial statements.
				2. Provide a five (5) year pro forma statement for Applicant’s firm, including projected balance sheet, income statement, cashflow statement, and debt service schedule for existing and planned long-term debt, if any. List assumptions, including but not limited to, market supply and demand conditions of the industry, market fluctuations, and monthly or quarterly fixed cost and variable costs. If the proposed project is awarded, this five (5) year pro forma statement may be used to validate the project’s financial economic status during the agreement.
				3. Provide the Applicant’s sources of funding for the project, such as grants, loans and equity contributions, and types, terms, and conditions of match agreements. Project funding should be described by both financial resources and percentage of total equity. Provide contact information for each match source.
3. Identify the financial risks to the proposed project and describe the methods the Applicant will use to effectively manage and mitigate those risks. At a minimum, Applicant should address risks associated with construction, cost overruns, operation, maintenance, technology, regulations, and economic conditions.
4. Discuss variable feedstock cost and quality, and how the Applicant will ensure a sustainable feedstock supply, including procurement agreements, contracts, and supply chain logistics.
5. Demonstrate the economic viability of the long-term commercialization plan following project completion.
6. Identify and demonstrate how co-products or other revenue streams contribute to the business plan. Discuss assumptions about expected income from all revenue sources. Discuss how much project viability depends on co-product / tipping fee revenues.
7. Discuss estimated value and planned use of any potential LCFS, Renewable Fuel Standard Program (RFS2), and/or cap and trade credits. Discuss how the estimated value and planned use of any potential LCFS, RFS2, and/or cap and trade credits impact the long-term economic viability of the proposed project
8. List any pending or filed litigation in which Applicant is a party, and explain the extent of Applicant’s liability coverage, if any. Please list only litigation that pertains to or impacts the project’s execution. Explain how the pending or filed litigation affects the Applicant’s ability to complete the project.

	* 1. **Project Readiness and Implementation**
9. ***Overall Readiness/Permitting.*** Full Applications must include information about the permitting required for the project and whether the permitting has been completed. If the permitting has not been completed, Full Applications must include a permitting schedule that ensures successful project completion within the timeframes specified in this solicitation.
10. ***Site Control.*** Full Applications must describe the proposed project site and document site and equipment control. Site and equipment control includes, but is not limited to: leases, ownership, or access rights. Applicants must also demonstrate thorough safety, maintenance, and training procedures will be in place.
11. ***California Environmental Quality Act (CEQA).*** Full Applications must include information documenting progress towards achieving compliance under the CEQA. If CEQA compliance has not been obtained, applications must include a schedule to complete CEQA activities for the proposed project. See Item 12 below for the requirements for CEQA.
12. ***Community Outreach.*** Full Applications must include information about planned community outreach, including outreach and discussions with fire marshals and educational efforts to explain the proposed project to the public with emphasis on outreach to the community impacted by the project. Applicants are encouraged to include support letters from communities impacted by or benefitting from the project.
13. ***Project Benefits to a Disadvantaged Community***. Describe how the project will result in benefits to a disadvantaged community and/or priority population.

Disadvantaged Community instructions:

<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>

1. ***Feedstock Supply, Fuel Off-take, and Other Partnerships.*** Full Applications must include information on the status of developing agreements for feedstock supply and fuel off-take, as well as discuss any other partnerships that contribute to project success.

	* 1. **Project Benefits and Co-Benefits**
			1. ***In-State Renewable Hydrogen Fuel.*** Describe and calculate the volume of petroleum transportation fuels displaced annually as a result of the eligible renewable hydrogen fuel produced by the proposed project. Calculate the petroleum displacement in terms of diesel gallon equivalents (DGEs) per year.
			2. ***Total Greenhouse Gas Emissions Reductions.*** Provide the total weight of CO2 displaced in metric tons resulting from the proposed project on an annual basis. Report total carbon emissions displaced on an annual basis and substantiate calculations.

Provide carbon intensity of the project’s resulting fuel in grams of CO2-equivalent per megajoule (gCO2e/MJ). Carbon intensities must be calculated using a method that conforms to CARB’s Low Carbon Fuel Standard (LCFS). Provide assumptions and calculations to substantiate claimed carbon intensities. The CARB calculation methodology guidance is available at: <https://www.arb.ca.gov/fuels/lcfs/guidance/guidance.htm#guidance>

Report carbon intensity of the renewable hydrogen fuel as a percentage reduction from the appropriate baseline and substantiate calculations. If the carbon intensity pathway of the proposed project has already been calculated through CARB’s LCFS process, Applicant must so state and provide the carbon intensity of the project’s fuel and the pathway identifier(s) from the Low Carbon Fuel Standard Reporting Tool and Credit Bank & Transfer System (LRT-CBTS) (<https://ssl.arb.ca.gov/lcfsrt/Login.aspx>), in lieu of the above. Full applications must describe the cost-effectiveness of petroleum displacement in terms of CEC dollars per diesel gallon equivalent (DGE).

* + - 1. ***Reduction of Criteria and Toxic Air Pollutant Emissions.*** Describe how the project will result in a reduction of criteria and toxic air pollutant emission.
			2. ***Economic Benefits.*** Describe how the proposed project will expand business opportunities for California-based businesses and how the proposed project results in high-quality jobs in terms of compensation and duration and related project payroll. Describe how the proposed project increases state and local tax revenues.
			3. ***Sustainability.*** Describe how the proposed project preserves and/or enhances natural resources, including information related to water use efficiency or reclamation; use of sustainable or underutilized feedstocks that come from forest clearing or waste resources; renewable energy; or abandoned/reclaimed land used for energy crop production.
			4. ***Reduction of Short-Lived Climate Pollutants.*** Describe how the project will result in a reduction of short-lived climate pollutants. Explain if and how the proposed project reduces short-lived climate pollutants, including but not limited to black carbon, fluorinated gases, and methane.
		1. **Project Budget and Cost Effectiveness**
			1. ***Cost Effectiveness for Fuel Production.*** Full Applications must describe the cost-effectiveness of petroleum displacement in terms of CEC dollars per diesel gallon equivalent (DGE). Describe how the proposed project’s budget minimizes CEC funding per diesel gallon equivalent of renewable hydrogen fuel produced annually.
			2. ***Cost Effectiveness for GHG Reduction.*** Describe how the proposed project would minimize CEC dollars per metric ton of GHG emissions reduced on an annual and 5-year project life basis. Full Applications must discuss how the proposed project results in a lower cost effectiveness score defined as the dollar of CEC funding per the amount of annual GHG reductions and on a 5-year project life.
			3. ***Need for State Funds.*** Full Applications must include rationale as to why state funds are necessary for their proposed project and identify why the proposed use of state funds is crucial to project success. Describe how state funds increase the ability to leverage private capital when the project assists in commercializing a technology, increase cost effectiveness of a technology, or utilize a sustainable and underutilized feedstock.
1. ***Reasonableness of Proposed Costs.*** Describe how the budget is reasonable. Describe and document how the proposed match share is committed to the project and the amount or dollar value is reasonable, available, and verifiable.
2. **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, 2027** 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. **Project Team Resumes**

For each key individual working on the proposed project, Full Applications must include a current individual resume including job title and description, relevant experience, education, academic degrees, professional licenses, and contact information. Resumes are limited to a maximum of 2 pages each.

1. **Previous Work Products (optional)**

Provide examples of past projects detailing technical and business experience of the Applicant (or any member of the project team) that is related to the proposed work.

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 CEC funds; or 2) 25% or more of the total CEC 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 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 CEC notifies the Applicant that its project has been proposed for an award through the release of a 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 CEC located in Sacramento, CA. Attendance by Zoom is encouraged to reduce travel expenses and GHG emissions.
8. Applicants must budget for permits, insurance, etc. The CEC 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 CEC funds will require disposition of purchased equipment at the end of the project. Typically, Grant Recipients may continue to utilize equipment purchased with CEC funds as long as the use is consistent with the intent of the original agreement. **There are no disposition requirements for equipment purchased with match share funding.**
11. The Budget must reflect estimates for ***actual*** costs to be incurred during the approved term of the project. The CEC can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.
12. The budget must be written to allow match share expenditures to be expended concurrently with or ahead of the CEC expenditures.
13. The budget must be written to allow match share expenditures to be expended concurrently with or ahead of CEC expenditures.
14. 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.
15. ***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.
16. **Contact List**

Applicants must include a completed Contact List (Attachment 6) by including the appropriate points of contact for the Applicant. The CEC will complete the CEC 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 CEC is able to efficiently contact the letter writer, as necessary. Letters must be limited to 2 pages each.

* 1. **Key Project Partners (mandatory if applicable):** Key project partners identified in the Full 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 (mandatory 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 CEC to contact the match share partner or representative to confirm their authority to commit matching funds to the proposed project. Applicants are encouraged to submit additional documentation, both public and confidential (see Section VI.D), to further substantiate the commitment from each match share partner. Examples include past projects funded, with contacts.

Any match funding pledged in Attachment 1B must be consistent with the amount or dollar value described in the commitment letter(s) (e.g., if $5,000 “cash in hand” funds are pledged in a commitment letter, Attachment 1B must match this amount). Only the total amount pledged in the commitment letter(s) will be considered as eligible match.

* 1. **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: air districts, state or federal agencies, local safety officials, potential users of the proposed project, and any other relevant organizations.Support letters from the community, especially AB1550 priority population, should identify the specific social, economic, and environmental benefits that will be provided to the community.
	2. **Feedstock Commitments (optional):** Applicants are encouraged to submit copies of correspondence with commitments to supply feedstock for the proposed project.
	3. **Off-Take/Purchase Commitments (optional):** Applicants are encouraged to submit copies of correspondence with commitments to purchase or distribute the renewable hydrogen fuel produced by the proposed project.
1. **CEQA Worksheet**

Applicants must include a completed CEQA Worksheet (Attachment 7). The CEC 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 applications. This worksheet will help applicants and the CEC to determine CEQA compliance obligations by identifying which projects may require more extensive CEQA review. If the project includes only activities that do not trigger CEQA, such as paper studies, then the worksheet will help identify and document this. 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.

**Note Regarding Encumbrance Deadlines and Disclaimer:** The funds under this solicitation have a strict encumbrance deadline. The CEC must complete environmental review under CEQA and approve each grant at a Business Meeting prior to the applicable encumbrance deadline. Funds *must* be encumbered prior to June 30, 2023. 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 CEC as soon as possible and **no later than six months after the NOPA is posted**.

Thus, if a project cannot complete CEQA review in time to meet the applicable encumbrance deadline, **the CEC reserves the right to cancel the proposed award** and recommend funding the next highest scoring award that can meet the encumbrance deadline, in addition to any other rights afforded the CEC by law, and regardless of the Applicant’s diligence in submitting CEQA information and materials. Further, the CEC is not liable for any costs incurred during environmental review or as a result of cancelling the proposed award.

1. **Photographic Evidence of the Proposed Project Location:** Full Applications must provide non-confidential photographic images with both date and time stamps of the proposed project location.
2. **Localized Health Impacts Information Form:** Applicants must complete and submit a Localized Health Impacts Information Form (Attachment 8). The CEC requires this information to assist in developing and publishing a localized health impact report.
3. **Confidential Volume**

Applicants who provide confidential material to demonstrate technological, financial, and economic viability as described in the Business Plan criterion, may be provided as confidential information if submitted as a separated, clearly-labeled volume of the Application.

1. **Past Performance Reference Form(s)**

Applicants must complete and submit a separate Past Performance Reference Form (Attachment 10) for each CEC agreement (e.g., contract, grant or loan) received by the Applicant in the last 10 years and the 5 most recent agreements with other public agencies within the past 10 years.

1. **Calculation Table**

Applicant must complete and submit a calculation table (Attachment 11). Information propose in the calculation table must match with what the applicant proposes in the Project Narrative. Applicants are encouraged to submit any support documents that verifies the applicants propose fuel production capacity and carbon intensity of produced fuel.

1. **Evaluation Criteria for Priority Populations**
Applicants must complete and submit an Evaluation Criteria for Priority Populations Form (Attachment 12). Applicants are encouraged to submit documentation that verifies that the project provides benefits to residents of disadvantaged communities, low-income communities, and low-income households, defined as “priority populations”.

# VIII. Full Application Evaluation Process and Criteria

## Full Application Evaluation

This section explains how the Full Applications will be evaluated.

Full Applications will be evaluated and scored based on the responses to the information requested in this solicitation. The entire evaluation process from receipt of Full Applications to posting of the Notice of Proposed Award is confidential. Please note that after the NOPA is posted, all applications, excluding specified technology, marketing, and financial information submitted in accordance with Section VII.D, will be publicly available.

To evaluate all Full Applications, the CEC will organize an Evaluation Committee. The Evaluation Committee will consist of CEC staff or staff of other California state entities.

1. **Full Application Screening Criteria**

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

1. **Full Application Administrative Screening Criteria**

|  |  |
| --- | --- |
| **Full Application ADMINISTRATIVE Screening Criteria** *The Full Application must pass ALL Full Application administrative screening criteria.* | **Pass/Fail** |
| 1. The Full Application is received by the CEC’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 Full Application Form (Attachment 1B) is complete and 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 information submitted in accordance with Section VII.D, separated and clearly labeled as confidential.
 | [ ]  Pass [ ]  Fail |

1. **Full Application Technical Screening Criteria**

|  |  |
| --- | --- |
| **Technical Screening Criteria** *The Full Application must pass ALL technical screening criteria.* | **Pass/Fail** |
| 1. Applicant is eligible to apply under this solicitation (Section II.A, Applicant Requirements).
 | [ ]  Pass [ ]  Fail |
| 1. Proposed project is eligible in accordance with this solicitation (Section II.B, Project Requirements).
 | [ ]  Pass [ ]  Fail |
| 1. Proposed project meets the minimum match share requirement of 50%.
 | [ ]  Pass [ ]  Fail |
| 1. The Full Application is based on and consistent with a Pre-Application Abstract receiving a passing score under this solicitation.
 | [ ]  Pass [ ]  Fail |
| 1. The Applicant passes the past performance screening criteria.
 | [ ]  Pass [ ]  Fail |

1. **Application’s Past Performance Screening Criterion (Pass/Fail)**

An applicant may be disqualified under this solicitation due to severe performance issues under one or more prior or active Energy Commission agreement(s) within the last 10 years. An applicant subject to past performance scrutiny is defined as at least one of the following: the business, principal investigator, or lead individual acting on behalf of themselves—received funds from the Energy Commission (e.g., contract, grant, or loan) and entered into an agreement(s) with the Commission. Any applicant that does not have an active or prior agreement equates to no severe performance issues and therefore would pass this screening criteria.

Severe performance issuesare characterized by significant negative outcomes under an agreement and may include:

* + Agreement was terminated with cause.
	+ CEC filed litigation against the applicant.
	+ Severe audit findings are not resolved to CEC’s satisfaction. Severe audit findings may include but not limited to: incomplete or unsatisfactory deliverables; grant funds used inappropriately (i.e., other than as represented); or questioned costs.
	+ Project objectives were not met and were caused by factors that are, or should have been, within the Recipient’s control.
	+ Significant delays in project completion resulting in delayed benefits for California. Project completion delays of one year or more from the originally proposed project schedule and caused by factors within the Recipient’s control may be considered significant.
	+ Deliverables were not submitted to the CEC or were of poor quality. For example, Recipient delivers poorly written reports that required significant rework by staff prior to acceptance or publication.
	+ Demonstrated and documented poor or delayed communication when significant issues or setbacks were experienced that materially and negatively impacted the project. For example, delays in informing the CEC when the Recipient experiences loss of a key project partner or site control may be considered significant.
1. **Grounds to Reject an Application**

In addition to the Screening Criteria identified within this solicitation, the CEC 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.
4. The Applicant has previously received funding through a Public Interest Energy Research (PIER) agreement, has received the PIER Royalty Review letter which the CEC annually sends out to remind past recipients of their obligations to pay royalties, and has not responded to the letter or is otherwise not in compliance with repaying royalties.

	1. **Technical Evaluation**

Full Applications passing all Full Application screening criteria will be submitted to the Evaluation Committee to review and score based on the Full Application 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 CEC for the purpose of clarification and verification of information provided in the Full Application. However, these interviews may not be used to change or add to the contents of the original Full Application. Applicants will not be reimbursed for time spent answering clarifying questions.

The total score for each Full Application will be the average of the combined scores of all Evaluation Committee members.

**A minimum score of 70 percent (21 points) is required for the Project Team Qualifications evaluation criterion to be eligible for funding.**

**A minimum score of 70 percent (63 points) is required for the Business Plan evaluation criterion to be eligible for funding.**

**A minimum score of 70 percent (42 points) is required for the Project Readiness and Implementation evaluation criterion to be eligible for funding.**

**A minimum overall score of 70 percent (224 points) is required for the Full Application to be eligible for funding.**

Full Applications that receive a minimum overall score of 70 percent (224 points) and obtain the required minimum score in the Project Team Qualifications, Business Plan, and Project Readiness and Implementation evaluation criteria will be ranked according to their overall score. The highest scoring, passing Full Application will be recommended for funding. The remaining funds will then be allocated to the next highest scoring application(s) achieving a passing score in ranked order until all funds available under this solicitation are exhausted. The CEC will recommend awards to the highest ranked projects (according to final overall Full Application score) achieving a passing score until available funding under this solicitation has been exhausted.

## Notice of Proposed Awards

The results of the evaluation will be posted in a NOPA and will include the recommended funding level and the rank order of applicants. The CEC will publish the NOPA on the CEC’s website.

## Full 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 Evaluation Scale, the Evaluation Committee will give a score for each criterion described in the Full Application 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. |

## Full Application Evaluation Criteria

Full Applications that pass screening will be scored based on the following scoring criteria.

The total score for each Full Application will be the average of the combined score of all Evaluation Committee members. Only Full Applications that receive a 70 percent or higher in the Project Team Qualifications criterion, a 70 percent or higher in the Business Plan criterion, a 70 percent or higher in the Project Readiness and Implementation criterion, and a 70 percent or higher in total score will be eligible for funding.

|  |  |
| --- | --- |
| **Full Application Evaluation Criteria** | **Maximum Possible Points** |
| **1. Project Team Qualifications –** Full Applications will be evaluated on the degree to which…* The project team’s qualifications (including relevant expertise, experience, and skill sets) are suitable to the tasks described in the proposed Scope of Work.
* The project team has verifiable experience related to hydrogen production, storage, distribution, and/or use.
* Qualifications, skills, abilities, and relevant technical and business experience of project team, key project partners, Engineering, Procurement, and Construction contractors (EPC), and technology providers, as it aligns with the needs of the project and with the successful completion of the proposed project.
* The Applicant and team have demonstrated exceptional administrative and technical performance under existing or prior funding agreements (CEC and/or other public agencies), if the Applicant or team worked on such projects, including:
* Adherence to schedules and due dates.
* Effective and timely issue resolution.
* Quality of deliverables.
* Objectives of past projects have been attained.
* Honest, timely, and professional communication with staff from the funding entity.
* Effective coordination with project partners, subcontractors, and other stakeholders.
* Timely and accurate invoicing.

***NOTE: Full Applications must obtain a minimum passing score of 21 points within this evaluation criterion to be eligible for funding.*** | 30 |
| **2. Business Plan–** Three elements of the business plan will be evaluated with a maximum possible score of 30 points per element. Full Applications will be evaluated on the degree to which… |  |
|  ***Technology Plan.**** The proposed technology is feasible both technically and economically.
* The proposed technology demonstrates the commercial readiness and viability. The proposed technology is adequate to achieve the goals and objectives of the proposed project.
* The proposed technologies and processes contribute to the facility’s ability to compete in the commercial California marketplace and increase the in-state production of renewable hydrogen fuel.
* The roles of technology partners are identified, documented and secured, including the legal or contractual relationship and obligations between partners.
* The proposed technology is replicable or can be further scaled up to expand production capacity.
* The proposed technology is a transformative approach to a critical renewable hydrogen fuel technology issue or market barrier.
 | 30 |
|  ***Marketing Plan.**** Target markets, populations, market drivers, and anticipated market growth are credible and documented.
* Market barriers and existing or potential competition are identified and adequately addressed to ensure project success.
* The role of strategic marketing partners, customers, and other partners (including fuel and co-product off-take agreements) will contribute to the success and sustainability of the proposed project.
 | 30 |
|  ***Financial Plan.**** The proposed project demonstrates economic viability based on the financial information provided (Section VII.E.4.b.iii for details).
* The Applicant and key project partners have the financial ability to successfully implement the proposed project and continue operations beyond the project term.
* The financial plan identifies project risks and effective strategies to manage and mitigate those risks.
* Feedstock supply is cost-effective, appropriate, and secured to support long-term, ongoing, and uninterrupted hydrogen fuel production.
* The long-term commercialization pathway following project completion is identified, reasonable, and viable.
* Co-products or other revenue streams are identified and contribute to the production of cost-competitive renewable hydrogen fuel.
* The long-term economic viability of the proposed project is not dependent on the potential LCFS, RFS2, and/or cap and trade credits received.
* The Applicant’s liability related to pending or filed litigation in which Applicant is a party is mitigated or not expected to impact project execution.

***NOTE: Full Applications must obtain a minimum passing score of 63 points within this evaluation criterion to be eligible for funding.*** | 30 |
| **3. Project Readiness and Implementation –** Full Applications will be evaluated on the degree to which…* Required permitting for the proposed project/facility has been completed or the permitting schedule ensures successful project completion within the timeframes specified in this solicitation.
* The date full production capacity and operation at capacity can be expedited.
* Site and equipment control are secured.
* Thorough safety, maintenance, and training procedures will be in place.
* The project has achieved compliance under the CEQA or can be completed within the timeframes specified in this solicitation.
* The planned community outreach is appropriate, comprehensive, and contributes to the overall success of the proposed project.
* The proposed project will provide benefits to disadvantaged communities.
* The tasks in the Scope of Work contribute to the successful and timely completion of the proposed project.
* The Applicant has secured feedstock and off-take agreements for full production capacity and to support long-term, ongoing, uninterrupted production.

***NOTE: Full Applications must obtain a minimum passing score of 45.5 points within this evaluation criterion to be eligible for funding.*** | 65 |
| **4. Project Benefits and Co-Benefits –** Full Applications will be evaluated on the degree to which…* The Calculation Table (Attachment 11) is filled out completely and accurately.
* The proposed project will expand in-state renewable hydrogen fuel production.
* The proposed project will result in GHG emission reductions.
* The proposed project will result in criteria and toxic air pollutant emission reductions.
* The proposed project will expand business opportunities for California-based businesses.
* The proposed project will result in high-quality jobs in terms of compensation and duration and related project payroll.
* The proposed project will increase state and local tax revenues.
* The proposed project will preserve and/or enhances natural resources.
* The proposed project will reduce short-lived climate pollutants.
 | 60 |
| **5. Project Budget and Cost Effectiveness –** Full Applications will be evaluated on the degree to which…* The proposed project’s budget minimizes CEC funding per diesel gallon equivalent of renewable hydrogen fuel produced annually.
* The proposed project minimizes CEC dollars per metric ton of GHG emissions reduced on an annual and 5-year project life basis.
* The Applicant demonstrates the need for state funding for the proposed project and how state funding can increase their ability to leverage private capital.
* The proposed match share is documented and the amount or dollar value is reasonable, available, and verifiable.
* The budget is reasonable and the budget forms are filled out completely and accurately.
 | 60 |
| 1. **Benefits to Priority Populations –** Full Applications will be evaluated based on project location, benefits and co-benefits to Priority Populations discussed in Attachment 12. Applicants may only receive a maximum of 15 points. Applicant may receive points in: 1) a single category; 2) categories 6a and 6b; or 3) categories 6b and 6c. Applicants ***cannot*** receive points in all three categories.
	* 1. **(10 points)** The project will be located within the boundaries of, and benefitting individuals living in communities described in Health and Safety Code (HSC) § 39711.
		2. **(5 points)** The project will benefit low-income households or be located within the boundaries of and benefitting individual living in low-income communities located anywhere in the state.
		3. **(5 Points)** The project will benefit low-income households that are outside of, but within one-half mile of communities described in HSC § 39711, or be located within the boundaries of, and benefitting individuals living in low-income communities that are outside of, but within one-half mile, of communities described in HSC § 39711.
 | 15 |
| **Total Possible Points** | **320** |
| **Minimum Overall Passing Score** | **224** |

## Tie Breakers

If the score for two or more applications are tied, the Application with a higher score in the Project Readiness and Implementation criterion will be ranked higher. If still tied, the Application with a higher score in the Business Plan criterion will be ranked higher. If still tied, an objective tie breaker will be used (such as a random draw).

# IX. Administration

## Key Words/Terms

Key Words and Terms

| **Word/Term** | **Definition** |
| --- | --- |
| AB | Assembly Bill |
| Applicant | An entity who submits a funding proposal under the solicitation. |
| Application | Formal written response to this document from applicant. |
| Awardee/Recipient | An applicant awarded a grant under this solicitation. |
| CAM | Commission Agreement Manager |
| CAO | Commission Agreement Officer |
| CEC | California Energy Commission |
| CEQA | California Environmental Quality Act |
| CI | Carbon intensity: The amount of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO2e/MJ). |
| Clean Transportation Program | Previously known as the Alternative and Renewable Fuel and Vehicle Technology Program, the program created by AB 118 is charged with developing and deploying alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. |
| CO2e | Carbon dioxide equivalent |
| CPR | Critical project review |
| Disadvantaged communities | Areas that are disproportionately affected by specific types of pollution and areas with vulnerable populations. Per SB 535, CalEPA is responsible for identifying disadvantaged communities for the California Climate Investments. Disadvantaged communities are designated as the top 25 percent highest scoring census tracts in CalEnviroScreen 3.0,[[4]](#footnote-5) along with other areas with high amounts of pollution and low populations.  |
| DGE | Diesel gallon equivalent |
| GAAP | Generally Accepted Accounting Principles |
| GFO | Grant funding opportunity |
| GGRF | Greenhouse Gas Reduction Fund |
| GHG | Greenhouse gas |
| LCFS | Low Carbon Fuel Standard, which is administered by CARB |
| M&V | Measurement and verification |
| NOPA | Notice of Proposed Awards |
| NOPAR | Notice of Pre-Application Results |
| Priority populations | Priority populations include residents of (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535, (2) census tracts identified as low-income per AB 1550, or (3) a low-income household per AB 1550. |
| SB | Senate Bill |
| Solicitation | The document that requests grant applications from interested parties and includes all attachments, exhibits, any addendums and written notices, and questions and answers. Solicitation may be used interchangeably with grant funding opportunity. |
| State | State of California |
| Total allowable project costs | The sum of the CEC’s reimbursable share and the recipient’s match share. |

## Cost of Developing Application

The Applicant is responsible for the cost of developing a pre-application abstract and if applicable a full application, and this cost cannot be charged to the State.

## Confidential Information

The CEC will not accept or retain any applications that have any portion marked confidential except for specified technology, marketing, and financial information submitted in accordance with Section VII.D, separated and clearly labeled as a confidential volume in response to this solicitation.

## Solicitation Cancellation and Amendments

It is the policy of the CEC 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 CEC 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 CEC will send an addendum to all parties who requested the solicitation and will also post it on the CEC’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 CEC 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 CEC 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 CEC, withdraw or modify a submitted Application before the deadline to submit applications. Applications cannot be changed after that date and time. 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 CEC may waive any immaterial defect or deviation contained in an Applicant’s Application. The CEC’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 CEC reserves the right to negotiate with applicants to modify the project scope, the level of funding, or both. If the CEC is unable to successfully negotiate and execute a funding agreement with an Applicant, the CEC, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project.

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

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 CEC and designating an authorized representative to sign.

The CEC 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 CEC 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 CEC and the successful Applicant is in effect until the agreement is signed by the Recipient, approved at an CEC Business Meeting, and signed by the CEC representative.

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

1. Brecht, Patrick. 2020. *2020-2023 Investment Plan Update for the Clean Transportation Program*, California Energy Commission, Fuels and Transportation Division. Publication Number: CEC-600-2020-003-REV. https://efiling.energy.ca.gov/getdocument.aspx?tn=235226 [↑](#footnote-ref-2)
2. California Public Resources Code, Section 25741(a)(1) <https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=25741.&lawCode=PRC> [↑](#footnote-ref-3)
3. SAE International, “SAE J2719: Hydrogen Fuel Quality for Fuel Cell Vehicles” November 2015 <http://standards.sae.org/j2719_201511/> [↑](#footnote-ref-4)
4. http://calepa.ca.gov/EnvJustice/GHGInvest/. [↑](#footnote-ref-5)