**Questions and Answers**

**Improvements in Maintenance Processes for Reliable Operations that are Verifiable and Effective for Hydrogen Refueling Stations**

**(IMPROVE for H2)**

**GFO-23-604**

**December 15, 2023**

The following answers are based on California Energy Commission (CEC) staff’s interpretation of the questions received. It is the Applicant’s responsibility to review the solicitation and to determine whether their proposed project is eligible for funding by reviewing the Eligibility Requirements within the solicitation. The CEC cannot give advice as to whether a particular project is eligible for funding, because not all proposal details are known.

Unless indicated otherwise, all section numbers identified below are from the solicitation manual (for example, “Section II.B” refers to Section II.B of the solicitation manual).

***Eligibility Requirements***

**Q1.** **The Cal State LA station has been removed from the Hydrogen Fuel Cell Partnership’s Station Operational Status System (SOSS) until the repair is done. How can we address the printout of SOSS since we removed it until the O&M repair is completed?**

A1. Per Section II.B, Project Requirements of the solicitation manual, an eligible hydrogen refueling station is a hydrogen refueling station listed as “Retail: Open” or “Retail: Unavailable,” on the [Hydrogen Fuel Cell Partnership Station Map](https://h2fcp.org/stationmap) at https://h2fcp.org/stationmap at the time of application submittal.

At the time of this Questions and Answers document’s publication, the Cal State LA station is listed as “Retail: Unavailable” on the Hydrogen Fuel Cell Partnership Station Map.

**Q2. Is there a preference to stations in disadvantaged community areas?**

A2. There is no direct preference given to stations in disadvantaged community areas. However, applications will be scored under the Economic and Environmental Benefits, and Sustainability evaluation criterion (Section III.E.3) on the degree to which the project will benefit disadvantaged communities and low-income communities, and workers within those communities, in accordance with the [CalEnviroScreen Tool,](https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40.) <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>.

**Q3. There was a requirement for a commitment to 95% up time. Is that just a commitment, what happens if that is not achieved?**

A3. The requirement that the Recipient commit to maintain a 95% uptime will be part of the Scope of Work. The [Clean Transportation Program Standard Terms and Conditions](https://www.energy.ca.gov/sites/default/files/2023-11/CTP_Grant_Ex_C_Standard_General_TCs_revised_11-20-23_ada.pdf), https://www.energy.ca.gov/sites/default/files/2023-11/CTP\_Grant\_Ex\_C\_Standard\_General\_TCs\_revised\_11-20-23\_ada.pdf, also includes a provision (section 29) for commission remedies for Recipient’s non-compliance.

Each project’s Scope of Work requires that awardees provide an *Operations and Reliability Plan* for the project explaining how 95% uptime at each eligible hydrogen station included in the project will be achieved. Without limitation to other rights and remedies which the CEC may have, including but not limited to survival provisions specified in the Terms and Conditions of this agreement, the requirement that the Recipient commit to operating each hydrogen refueling station included in this project for four years from execution of this Agreement, as feasible, and maintain a 95% uptime, shall survive the completion or termination date of this agreement. In addition to other requirements in the Terms and Conditions of this agreement, all CEC-reimbursable expenditures must be incurred within the Agreement term.

**Q4. Is the 95% uptime requirement per hose/nozzle or station?**

A4. The 95% uptime requirement is for a station. Uptime is calculated as a quarterly average percentage and defined as (the total hours the station is available over the quarter / the total possible hours of operation over the quarter) ×100.

**Q5.** **For improvements that affect the product supply for multiple sites, how does the Applicant split the cost between stations?**

A5. How to distribute costs across multiple stations would be up to Applicants as long as Applicants have metric(s) to quantifiably measure and verify the effectiveness of the project’s tasks that correspond to the needed operations and maintenance (O&M) improvements that project aims to address. Section I.G, Maximum Award Amounts states that projects do not need to spend grant funds evenly across all stations included in the project. However, an Applicant could split grant funds evenly across all stations included in the project if each station is receiving the same O&M improvement benefit.

**Q6.** **Can funds be used to increase reliability engineering staff (as opposed to direct maintenance staff)?**

A6. Yes, if reliability engineering staff is necessary to carry out eligible project tasks. Please refer to the Section II.B and Section II.D for more information.

**Q7. Can a “pool” of funds (say, ~$75 K per station) be awarded and set aside which we can draw upon as our engineering team develops solutions?**

A7. It is difficult to provide a response to this question without seeing the full scope of what is being proposed. However, eligible project costs are listed in Section II.D and include “Testing of in-use or prospective components or parts for nozzles, compressors, cryopumps, dispensers, or other station equipment to improve durability, longevity, and/or user-friendliness” and “Alleviating critical O&M issues negatively affecting customers, including but not limited to replacing failed equipment or reducing the cost of fueling to customers” that may be applicable to this question. In addition, projects must propose O&M-related tasks and Applicants must propose metric(s) to quantifiably measure and verify the effectiveness of the project’s tasks that correspond to the needed O&M improvements the project aims to address.

***Required Documents***

**Q8.** **Does the quote for product/labor from a subcontractor constitute a letter of commitment?**

A8. No. A quote for product/labor would not constitute a letter of commitment. A letter of commitment must demonstrate commitment or support of the proposed project and the entity’s ability to fulfill its identified roles. However, a letter from a subcontractor is not required for the application unless the subcontractor is identified as a key project partner. Please see the Section III.D for more information.

***Evaluation Process and Criteria***

**Q9. Please comment further about the "negative performance" criterion for those stations with previous CEC funding.**

A9. Applications will be screened based on Applicants’ past performance using the Past Performance Reference Form(s) (Attachment 8). An Applicant may be disqualified under this solicitation due to severe performance issues under one or more prior or active CEC agreement(s) within the last 10 years. Examples of severe performance issues are listed in the Section IV.A. Applications will also be evaluated on the degree to which the Applicant and team have demonstrated exceptional administrative and technical performance under existing or prior funding agreements (if applicable). Please see the Section III.D and Section IV.E for more information.

**Q10. Is enhanced customer security a valid aspect of improved customer experience on which applications would be evaluated?**

A10. It is difficult to provide a response to this question without more specific task information. However, examples of eligible projects are listed in the Section II.B. If a proposed project’s task will improve customer experience and the effectiveness of the task can be quantifiably measured and verified, then the proposed project may be considered for funding, provided that all other requirements are met. Applicants should present in their project narratives how their projects will improve the customer experience from their perspective.

***Miscellaneous***

**Q11. Is there a possibility to somehow accelerate the award process here so we can get the dollars on the street and kind of mitigate the issues that we’re experiencing within the network?**

A11. Staff recognizes the need for the O&M funding support and the proposed timeline for this solicitation as shown in the Section I.D reflects the best effort with the necessary processes in mind.

**Q12. If a city plans to be an applicant, does a city council as part of its governing need to approve the project beforehand?**

A12. The solicitation does not have such specific requirement – a city would not need to go through or produce a governing resolution unless the city itself requires that. However, Applicants are required to provide the required authorizations and certifications listed in the Section III.D.1 upon submission of their application. The city will have to go through its own internal approval process to apply for a grant, and to accept an award if offered.