

BOARD MEETING DATE: June 4, 2021

AGENDA NO. 5

**PROPOSAL:** Recognize Revenue, Transfer Funds, and Execute Contracts to Deploy 100 Battery Electric Drayage Trucks as part of CARB and CEC Pilot Project

**SYNOPSIS:** CARB and CEC awarded South Coast AQMD \$16,019,316 and \$10,964,955 respectively for a Zero-Emission Drayage Truck and Infrastructure Pilot Project. The project will deploy 100 Daimler and Volvo Class 8 battery electric trucks, charging infrastructure, and distributed energy resource technologies at two fleets in disadvantaged communities. These actions, detailed below, are to recognize revenue and co-funding from CARB, CEC and partners into the GHG Reduction Projects Special Revenue Fund (67); transfer funds as part of our cost share and partner cost share, and as a temporary loan from the Clean Fuels Program Fund (31); return unspent funds to the Clean Fuels Fund upon project completion; authorize the Executive Officer to execute contracts to implement this project; and reimburse the General Fund for administrative costs.

**COMMITTEE:** Technology, May 21, 2021; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Adopt the attached Resolution committing the South Coast AQMD to the terms of the GFO-20-606 Zero-Emission Drayage Truck and Infrastructure Pilot Project;
2. Authorize Executive Officer to execute agreements with CARB, CEC, Port of Long Beach (POLB), Port of Los Angeles (POLA) and recognize upon receipt, up to the following amounts into the GHG Reduction Projects Special Revenue Fund (67):
  - a. \$16,019,316 in FY 2019-20 Funding Plan for Clean Transportation Incentives from CARB;
  - b. \$10,964,955 in Clean Transportation Program funds from CEC;
  - c. \$1,500,000 from POLB; and
  - d. \$1,500,000 from POLA;
3. Transfer up to \$5,605,704 and \$8,000,000 from the Clean Fuels Program Fund (31) into the GHG Reduction Projects Special Revenue Fund (67) for project cost-share by South Coast AQMD and project partners cost-share, respectively, and return funds for project partners' cost-share when partner cost-share is received;

4. Transfer up to \$2,000,000 as a temporary loan, as needed, from the Clean Fuels Program Fund (31) to the GHG Reduction Projects Special Revenue Fund (67);
5. Authorize the Executive Officer to execute contracts with the following entities:
  - a. NFI Interactive Logistics, Inc. to deploy Class 8 battery electric trucks, charging infrastructure and distributed energy resource technologies in an amount not to exceed \$23,212,238 which consists of \$20,212,238 from the GHG Reduction Projects Special Revenue Fund (67) and \$3,000,000 from the Mobile Source Air Pollution Reduction Fund (23); and
  - b. Daimler Trucks North America, LLC to deploy Class 8 battery electric trucks and charging infrastructure in an amount not to exceed \$16,022,704 which consists of \$11,022,704 from the GHG Reduction Projects Special Revenue Fund (67) and \$5,000,000 from the Mobile Source Air Pollution Reduction Fund (23);
6. Authorize the Executive Officer to execute contracts from the GHG Reduction Projects Special Revenue Fund (67) with the following entities:
  - a. Ricardo, Inc. to collect and analyze data on Class 8 battery electric trucks in an amount not to exceed \$1,351,924;
  - b. Green Paradigm Consulting, Inc. for administrative project implementation support in an amount not to exceed \$649,164;
  - c. CALSTART, Inc. for charger pricing analysis and fleet case studies in an amount not to exceed \$197,582;
  - d. Los Angeles Cleantech Incubator for stakeholder outreach and ZEV workforce plan in an amount not to exceed \$155,000;
  - e. Electric Power Research Institute for charger performance analysis and fleet reliability uptime dashboard in an amount not to exceed \$209,588;
  - f. Coalition for Clean Air for community outreach in disadvantaged communities in an amount not to exceed \$99,553;
  - g. University of California Riverside CE-CERT for eco-routing for battery electric trucks in an amount not to exceed \$99,500;
  - h. Gladstein, Neandross and Associates for ZEV workforce plan in an amount not to exceed \$46,133; and
7. Reimburse the General Fund up to \$1,546,589 from the GHG Reduction Projects Special Revenue Fund (67) for administrative costs necessary to implement the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

Wayne Natri  
Executive Officer

MMM:JI:PSK

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## **Background**

On February 13, 2021, South Coast AQMD submitted a proposal in response to a joint CARB and CEC solicitation for zero-emission Class 8 drayage and regional haul trucks

and vehicle fueling infrastructure for two fleets in the South Coast Air Basin (Basin). On April 5, 2021, CEC released a Notice of Proposed Awards in which South Coast AQMD was awarded \$16,019,316 in CARB funds and \$10,964,955 in CEC funds for South Coast AQMD's Zero-Emission Drayage Truck and Infrastructure Pilot Project. CARB notified South Coast AQMD on April 22, 2021 of the preliminary award.

South Coast AQMD is leading a regional collaborative with the Mobile Source Air Pollution Reduction Review Committee (MSRC), Southern California Edison (SCE), POLB, and POLA to cost share the deployment of 100 Class 8 battery electric regional haul and drayage trucks. The regional collaborative partners are providing \$21.4 million in funding for this effort, and fleet partners NFI Interactive Logistics, Inc. (NFI) and Schneider National, Inc. (Schneider) are providing \$25.4 million in cost-share. NFI will operate 50 trucks in drayage operations and Schneider will operate 50 trucks in regional haul and drayage operations. This project will significantly advance market penetration of Class 8 battery electric trucks (BETs) through at-scale manufacturing production by Daimler Trucks North America, LLC (Daimler) and Volvo Group North America (Volvo). To support the BETs, the project team will deploy heavy-duty electric vehicle supply equipment (EVSE), and distributed energy resource (DER) technologies including solar and battery energy storage. The BETs will be domiciled in disadvantaged communities (DACs) in Ontario and South El Monte and operate almost solely through DACs, including several designated under the AB 617 Community Air Protection Program.

### **Proposal**

As a requirement of CARB and CEC joint solicitation GFO-20-606, staff proposes to adopt a Governing Board Resolution prior to the execution of grant agreements, recognize the revenue from CARB and CEC, agree to the terms of the solicitation, and commit to South Coast AQMD and project partner cost-share. These actions are to also recognize revenue up to \$16,019,316 from CARB, up to \$10,964,955 from CEC, up to \$1.5 million from the POLB, and up to \$1.5 million from the POLA, and transfer up to \$5,605,704 and \$8,000,000 from the Clean Fuels Program Fund (31) into the GHG Reduction Projects Special Revenue Fund (67) for cost share by South Coast AQMD and any shortfall in project partner funding to deploy BETs, infrastructure and DER technologies, and execute contracts for the Zero-Emission Drayage Truck and Infrastructure Pilot Project. Any unused funds will be returned when project partners funds are received.

### *NFI Deployment*

NFI will deploy the following technologies at its fleet in Ontario. DER technologies such as solar and battery energy storage will utilize energy management systems to optimize vehicle charging by balancing requirements of trucks, facility, and the grid. SCE's Charge Ready Transport (CRT) program has approved NFI's application and committed to fund up to \$2.5 million towards EVSE and installation services towards

make-ready infrastructure at NFI. Infrastructure installed will be UL certified and meet Open Charge Point Protocol and Open Automated Demand Response requirements. The NFI deployment includes the following:

- Up to 50 Daimler or Volvo BETs
- Up to 34 175 kW or 350 kW DC fast chargers
- Up to 1 MW solar installation
- Up to 5 MWh battery energy storage

#### *Daimler/Schneider Deployment*

Schneider, through its partner Daimler, will deploy the following technologies at its fleet in South El Monte. SCE's CRT program has approved Schneider's application and committed to fund up to \$2.5 million towards EVSE and installation services towards make-ready infrastructure at Schneider. The Schneider deployment includes the following:

- Up to 50 Daimler or Volvo BETs
- Up to 16 175 kW or 350 kW DC fast chargers

#### *Daimler/Volvo*

Daimler eCascadia and Volvo VNRe trucks will be deployed at NFI and Schneider. These trucks are certified by U.S. EPA and CARB and available for commercial sale in California. The Daimler eCascadia will have the following vehicle specifications: GCWR up to 80,000 lbs, up to 200-250-mile electric range, 475 kWh lithium-ion battery pack, with a two-speed transmission, and 6x4 configuration. The Volvo VNRe will have the following vehicle specifications: GCWR up to 80,000 lbs, up to 195-220-mile electric range, 564 kWh lithium-ion battery pack, with a two-speed transmission, and 6x2 configuration. Trucks will utilize Society of Automotive Engineers (SAE) Combined Charging System (CCS) Type 1 connectors for fast charging with a combination of 175- and 350-kW DC fast chargers depending on fleet operational needs.

#### *Data Collection and Analysis*

Ricardo, Inc. (Ricardo), CALSTART, Inc. (CALSTART) and Electric Power Research Institute (EPRI) will collaborate on data collection and analysis for the BETs, infrastructure and DER. Ricardo will perform data logging on a subset of baseline trucks as well as the deployed BETs for 12-24 months, conduct surveys and fleet/driver interviews, analyze data and provide quarterly and final reports on the trucks. CALSTART will focus on charger pricing analysis and fleet case studies. EPRI will focus on charger performance/utilization analysis, development of a fleet reliability uptime dashboard, and grid impacts. The fleet reliability uptime dashboard will create a project database from real time BET and charger data to perform automated queries to make determinations and identify issues affecting operations, alert fleet managers, perform remote diagnoses or dispatch service calls to ideally maintain a 90 percent and higher charger uptime. In addition, University of California Riverside (UCR) College of

Engineering, Center for Environmental Research and Technology (CE-CERT) will analyze data from the first 10 BETs at each fleet to evaluate energy-savings potential from energy-efficient routing software for BETs.

*Project Implementation Assistance*

Green Paradigm Consulting, Inc. (GPCI) will provide project implementation assistance for this project, including compilation of quarterly progress reports, invoices, disbursement requests, mileage tracking and technical deliverables.

*ZEV Workforce Plan*

Los Angeles Cleantech Incubator (LACI) and Gladstein, Neandross and Associates (GNA) will partner on developing the required ZEV Workforce Plan including performance metrics and collection/analysis of data on workforce training and job creation and impacts. This will document training efforts by the project partners including NFI, Schneider, Daimler, Volvo, Rio Hondo College, and San Bernardino Valley College. LACI will also convene incubator startup roundtable meetings to encourage further dissemination of technologies in this project.

*Outreach*

Coalition for Clean Air (CCA) will conduct project stakeholder meetings including meetings with environmental organizations, community-based organizations, and local government leaders. This includes targeted outreach to stakeholders in DACs.

These actions are to transfer up to \$2 million as a temporary loan from the Clean Fuels Program Fund (31) to the GHG Reduction Projects Special Revenue Fund (67) to provide cash flow for contractor payments as a buffer for the slower CARB and CEC cost-reimbursement process and reimburse the General Fund up to \$1,546,589 from the GHG Reduction Projects Special Revenue Fund (67) for administrative costs necessary to implement the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

**Sole Source Justification**

Section VIII.B.2. of the Procurement Policy and Procedure includes four possible provisions under which a sole source award may be justified. The request for sole source awards for the technology and fleet partners in this project is made under the provisions B.2.c.(1): The unique experience and capabilities of the proposed contractor or contractor team; B.2.c.(2): The project involves the use of proprietary technology; and B.2.d.(1): Projects involving cost-sharing by multiple sponsors. Volvo, Daimler, NFI and other partners have extensive knowledge and experience in advanced EV technologies that are needed to successfully complete this project. The manufacturers will utilize their proprietary technologies in the development of commercial heavy-duty trucks to improve system: reliability, efficiency and costs over previous generations. This project will be cost-shared by project partners as discussed in the Resource Impacts section.

**Benefits to South Coast AQMD**

The Zero-Emission Drayage Truck and Infrastructure Pilot Project supports development and demonstration of various electric container and freight transport technologies and infrastructure, as well as solar and energy storage technologies to enable development and demonstration of microgrids for fleets charging heavy-duty trucks, yard tractors, and forklifts. These technologies are included in the *Technology Advancement Office Clean Fuels Program 2021 Plan Update* under the categories of “Develop and Demonstrate Electric and Hybrid Vehicles,” “Develop and Demonstrate Electric Container Transport Technologies,” “Develop and Demonstrate Electric Charging Infrastructure,” and “Develop and Demonstrate Microgrids with Photovoltaic/Fuel Cell/Battery Storage/EV Chargers and Energy Management.” These projects are to develop and demonstrate zero emission heavy-duty trucks, freight handling equipment, infrastructure and solar. Successful demonstrations of such projects will contribute to the attainment of national ambient air quality standards in the Basin by eliminating PM and NOx emissions from replaced diesel heavy-duty trucks and off-road freight handling equipment. The project also includes installation of infrastructure powered by solar and energy storage.

**Resource Impacts**

The execution of contracts will not exceed CARB, CEC, and project partner funds for the Zero-Emission Drayage Truck and Infrastructure Pilot Project. Funding sources and amounts for the Zero-Emission Drayage Truck and Infrastructure Pilot Project are detailed in the following table:

**Proposed Pilot Project Costs**

Source	Amount	Percent*
CARB	\$16,019,316	22%
CEC	\$10,964,955	15%
NFI	\$16,772,200	23%
Daimler (Schneider)	\$8,655,000	11%
MSRC	\$8,000,000	11%
South Coast AQMD ( <i>requested</i> )	\$5,605,704	7%
SCE	\$5,000,000	7%
POLB	\$1,500,000	2%
POLA	\$1,500,000	2%
<b>Total</b>	<b>\$74,017,175</b>	<b>100%</b>

\*Rounded to nearest whole percentage point

The MSRC is contributing up to \$8 million from the Mobile Source Air Pollution Reduction Fund (23) towards this project, which was approved by the Board on January 8, 2021. SCE funding of \$5 million will be administered through their CRT program and provided directly to NFI and Daimler.

Sufficient funds will be available from CARB, CEC, and project partner funding in the GHG Reduction Projects Special Revenue Fund (67) and the Mobile Source Air Pollution Reduction Fund (23) to execute contracts for the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

**Attachments**

- 1 - Resolution
- 2 - CEC/CARB Zero-Emission Drayage Truck and Infrastructure Pilot Project - Addendum 2: GFO-20-606

**RESOLUTION NO. 21-**

**A Resolution of the South Coast Air Quality Management District Board  
Recognizing Grant Funds and Approving the South Coast AQMD's Participation  
in the California Energy Commission (CEC) and CARB Joint Zero-Emission  
Drayage Truck and Infrastructure Pilot Project**

**WHEREAS**, under Health & Safety Code § 40400 *et seq.*, the South Coast Air Quality Management District (South Coast AQMD) is the local agency with the primary responsibility for the development, implementation, monitoring and enforcement of air pollution control strategies, clean fuels programs and motor vehicle use reduction measures; and

**WHEREAS**, the South Coast AQMD is designated as an extreme non-attainment area for ozone and as such is required to utilize all feasible measures to meet national ambient air quality standards; and

**WHEREAS**, the South Coast AQMD Governing Board has adopted several programs to reduce emissions from on-road and off-road vehicles, as well as emissions from other equipment, and participated extensively in projects intended to demonstrate new technologies for on-road and off-road vehicles with the intention of reducing emissions of air pollutants; and

**WHEREAS**, CARB and CEC announced the availability of \$44.1 million in funds to support large-scale deployments of on-road, zero-emission Class 8 drayage and regional haul trucks as well as the necessary zero-emission vehicle fueling infrastructure needed for revenue service; and

**WHEREAS**, the solicitation was open to local air districts, California-based public entities, and California-based non-profit organizations; and

**WHEREAS**, on February 13, 2021, the South Coast AQMD submitted a proposal in response to CEC GFO-20-606 with project partners the Mobile Source Air Pollution Reduction Review Committee (MSRC), Southern California Edison (SCE), and the Ports of Long Beach and Los Angeles, to deploy 100 Daimler and Volvo Class 8 battery electric trucks, charging infrastructure, and distributed energy resource technologies at two fleets, NFI Interactive Logistics, Inc. (NFI) and Schneider National, Inc. (Schneider), both located within the South Coast Air Basin and specifically in disadvantaged communities; and

**WHEREAS**, on April 5, 2021, CEC released a Notice of Proposed Awards in which South Coast AQMD was awarded \$16,019,316 in CARB funds and \$10,964,955 in CEC funds for South Coast AQMD's Zero-Emission Drayage Truck and Infrastructure Pilot Project; and

**WHEREAS**, on April 22, 2021, CARB released a Preliminary Award Letter in which South Coast AQMD was awarded \$16,019,316 in CARB funds for South Coast AQMD's Zero-Emission Drayage Truck and Infrastructure Pilot Project; and

**WHEREAS**, CARB and CEC require applicants to submit a resolution of its Governing Board prior to execution of the grant agreements that commit the agency to comply with the requirements of the solicitation, accept the funds, and commit to cost-share provided by South Coast AQMD and its project partners.

**THEREFORE, BE IT RESOLVED** that the Governing Board, in regular session assembled on June 4, 2021, does hereby accept the Zero-Emission Drayage Truck and Infrastructure Pilot Project grant award and recognizes up to \$16,019,316 in CARB funds and \$10,964,955 in CEC funds to deploy 100 Daimler and Volvo Class 8 battery electric trucks, charging infrastructure, and distributed energy resource technologies, with project partners, at two fleets, NFI and Schneider.

**BE IT FURTHER RESOLVED** that the Governing Board approves the South Coast AQMD's participation in the Zero-Emission Drayage Truck and Infrastructure Pilot Project and agrees to comply with the terms in the solicitation GFO-20-606 and commits to cost-share by South Coast AQMD and its project partners in the amount of up to \$13,605,704 at the time that South Coast AQMD executes grant agreements with CARB and CEC.

**BE IT FURTHER RESOLVED** that the Executive Officer is authorized and directed to take all steps necessary to carry out this Resolution, including making modifications to the grant agreements with CARB and CEC, as needed, to implement the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

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Date

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Clerk of the Boards

# GRANT FUNDING OPPORTUNITY

## Zero-Emission Drayage Truck and Infrastructure Pilot Project

**California Energy Commission  
Clean Transportation Program**

and

**California Air Resources Board  
Mobile Source Control Division**



Disclaimer: Textual content contained within brackets to be removed.

### **Addendum 2**

**GFO-20-606**

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

State of California  
California Energy Commission  
[January] **February** 2021

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<b>Attachments</b>	
1	Application Form
2	Project Executive Summary
3	Project Narrative
4	Scope of Work/Work Plan
5	Schedule of Products and Due Dates/Milestones
6	Budget Forms
7	Disadvantaged Communities Eligibility Determination
8	ZEV Workforce Plan
9	Procedure for Handling Confidential Information
10	Resumes/Applicant Qualifications
11	Contact List
12	Letters of Support/Commitment
13	California Air Resources Board (CARB) Executive Order (EO)
14	California Environmental Quality Act (CEQA) Worksheet
15	Local Health Impacts Information Form
16	Conflict of Interest Declaration
17	Clean Transportation Program Terms and Conditions
18	Low Carbon Transportation Sample Grant Agreement
19	National Renewable Energy Laboratory (NREL) Data Collection Tool
20	Data Collection Requirements
21	Methodology for Determining Emission Reductions and Cost-Effectiveness
22	Scope of Work/Work Plan Instructions

# I. Introduction

## A. PURPOSE OF SOLICITATION

This is a competitive grant solicitation. The California Energy Commission (CEC) and California Air Resources Board (CARB or Board) announce the availability of \$44.1 million in funds to support large-scale deployments of on-road, zero-emission Class 8 drayage and regional haul trucks as well as the necessary zero-emission vehicle fueling infrastructure needed for service operation.

For the purpose of this solicitation, drayage trucks are defined as on-road heavy duty trucks that transport containers and bulk to and from the ports and intermodal railyards as well as many other locations<sup>1</sup> and have a minimum daily range of at least 150 miles on a single charge or refueling event. Regional haul truck, for the purpose of this solicitation, have a minimum daily range of at least 200 miles on a single charge or refueling event and are designed for day use and typically return to a home base each night.

Funds provided through this proposed solicitation include \$20.1 million from the CEC's Clean Transportation Program (formerly known as the Alternative and Renewable Fuel and Vehicle Technology Program)<sup>2</sup> and \$24 million for projects eligible under CARB's FY 2019-20 Funding Plan for Clean Transportation Incentives (FY 2019-20 Funding Plan).<sup>3</sup> CEC funding will support zero-emission vehicle infrastructure and installation, and workforce training and development. CARB funding will be allocated towards the purchase of on-road zero-emission Class 8 trucks. Other costs associated with administrative and data collection tasks will be supported by either CEC or CARB.

The overarching goals for the Zero-Emission Drayage Truck and Infrastructure Pilot Project solicitation are to: (1) advance zero-emission technology for Class 8 on-road trucks with a focus on regional haul or drayage service; (2) understand fleet dynamics when deploying a large number of zero-emission trucks and supporting infrastructure, including assessing the ability of fleets to recharge or refuel large numbers of trucks on a daily basis – sometimes multiple times per day; (3) support zero-emission, on-road heavy-duty truck manufacturers to realize economies of scale that come with larger production volumes; (4)

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<sup>1</sup> [Drayage Trucks at Seaports & Railyards](https://ww2.arb.ca.gov/our-work/programs/drayage-trucks-seaports-railyards) (https://ww2.arb.ca.gov/our-work/programs/drayage-trucks-seaports-railyards)

<sup>2</sup> [California Energy Commission Clean Transportation Program](https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program) (https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program)

<sup>3</sup> [California Air Resources Board FY 2019-20 Funding Plan](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1) (https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1)

holistically reduce greenhouse gas (GHG),<sup>4</sup> criteria pollutant,<sup>5</sup> and toxic air contaminant<sup>6</sup> emissions in and around ports and freight facilities; and (5) provide economic, environmental, and public health benefits to disadvantaged and low-income communities.<sup>7</sup>

## **B. BACKGROUND**

California continues to fight for energy security, climate change resiliency, and healthy air for all Californians. Grant funding and purchase incentives from the CEC and CARB, paired with regulatory actions, has allowed California to be a global leader in advancing alternative fuels, on-road vehicle and off-road equipment technologies.

In 2007, Assembly Bill (AB) 118 (Núñez, Chapter 750, Statutes of 2007), the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007, was signed into law. This created the CEC's Clean Transportation Program. This 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.

To be eligible for funding under the Clean Transportation Program, a project must be consistent with the CEC's annual *Investment Plan Update for the Clean Transportation Program*.<sup>8</sup> The CEC's 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.

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<sup>4</sup> [Definition of greenhouse gases](https://www.arb.ca.gov/cc/inventory/background/ghg.htm) (https://www.arb.ca.gov/cc/inventory/background/ghg.htm)

<sup>5</sup> [Definition of criteria pollutants](https://ww2.arb.ca.gov/resources/california-ambient-air-quality-standards) (https://ww2.arb.ca.gov/resources/california-ambient-air-quality-standards)

<sup>6</sup> [Definition of toxic air contaminants](https://ww2.arb.ca.gov/resources/documents/carb-identified-toxic-air-contaminants) (https://ww2.arb.ca.gov/resources/documents/carb-identified-toxic-air-contaminants)

<sup>7</sup> [California Climate Investments to Benefit Disadvantaged Communities](http://www.calepa.ca.gov/EnvJustice/GHGInvest/) (http://www.calepa.ca.gov/EnvJustice/GHGInvest/)

<sup>8</sup> [Clean Transportation Program Investment Plans](https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program/clean-transportation-program-investment) (https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program/clean-transportation-program-investment)

- 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 freight fleets, public transit, and transportation corridors.
- Establish workforce-training programs and conduct public outreach on the benefits of alternative transportation fuels and vehicle technologies.

Additionally, AB 118 created CARB’s Air Quality Improvement Plan (AQIP), a voluntary incentive program administered by CARB, to fund clean vehicle and equipment projects, air quality research, and workforce training. In 2014, the Legislature appropriated Greenhouse Gas Reduction Fund (GGRF) monies to establish a Low Carbon Transportation program that CARB is implementing in coordination with the AQIP AB 118 programs.

This solicitation utilizes the process established under AB 118 and AQIP, with project funds from the Cap-and-Trade auction proceeds deposited into the GGRF as part of the California Climate Investments (CCI). The Low Carbon Transportation Program is intended to fund a wide array of technologies that further the purposes of AB 32 (Nunez, Chapter 488, Statutes of 2006) and the more recent SB 32, which codified a 2030 GHG emissions reduction target of 40 percent below 1990 levels<sup>9</sup>.

In 2012, the Legislature passed, and Governor Brown signed into law, three bills – AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012) – that established the GGRF to receive Cap and Trade auction proceeds and to provide the framework for how the auction proceeds will be administered in furtherance of the purposes of AB 32 including supporting long-term, transformative efforts to improve public health and develop a clean energy economy. The suite of implementing legislation offers strong direction for investing a portion of the auction proceeds to benefit disadvantaged communities, including specific allocation requirements in SB 535 and bolstered by AB 1550 (Gomez, Chapter 369, Statutes of 2016).

In 2016, AB 1550 revised SB 535 requirements, increasing the percent of the State’s auction proceeds that must be invested within disadvantaged communities and adding new requirements to direct additional investments to low-income communities and low income households. AB 1550 requires at least 25 percent of auction proceeds be invested for projects within and benefiting

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<sup>9</sup> [Senate Bill 32](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32) (https://leginfo.ca.gov/faces/billNavClient.xhtml?bill\_id=201520160SB32)

disadvantaged communities; 5 percent for projects within and benefiting low-income communities or benefiting low-income households statewide; and 5 percent for projects within and benefiting low-income communities, or low-income households, that are within one half of a mile of a disadvantaged community. These communities are identified by the California Environmental Protection Agency (CalEPA).

SB 1403 (Lara, Chapter 370, Statutes of 2018) guides CARB's heavy-duty vehicle investments funded with Cap-and-Trade auction proceeds. SB 1403 extended the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program created under SB 1204 (Lara, Chapter 524, Statutes of 2014) that helps accelerate the introduction of the next generation of cleaner heavy-duty vehicles and engines with a priority on projects that benefit disadvantaged communities. This heavy-duty truck project supports SB 1204's overarching vision, described in Appendix B, of the FY 2019-20 Funding Plan for the phases of technology development and deployment, with a focus on moving these zero-emission technologies through the commercialization process.

In order to identify the priority investments that facilitate GHG emission reductions, the Legislature directed the development of the Cap-and-Trade Auction Proceeds Investment Plan (Investment Plan). The third three-year Investment Plan, which was released in January 2019, calls for projects that support the large-scale deployment of alternative technologies, such as zero- and near zero-emission vehicles and equipment, to help achieve the State's near-term and longer-term GHG emission reduction goals.

Furthermore, this solicitation is also supportive of Executive Order B-32-15, which directed the development of the California Sustainable Freight Action Plan<sup>10</sup>. This action plan was released July 29, 2016, and includes three main targets:

- Zero-Emission Technology Target – Deploy over 100,000 freight vehicles and equipment capable of zero-emission operation and maximize near zero-emission freight vehicles and equipment powered by renewable energy by 2030.
- System Efficiency Target – Improve freight system efficiency 25 percent by increasing the value of goods and services produced from the freight sector, relative to the amount of carbon that it produces by 2030.
- Competitiveness and Economic Target – Establish a target(s) for increased State competitiveness and future economic growth within the freight and goods movement industry.

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<sup>10</sup> [California Sustainable Freight Action Plan](https://dot.ca.gov/programs/transportation-planning/freight-planning/california-sustainable-freight-action-plan) (https://dot.ca.gov/programs/transportation-planning/freight-planning/california-sustainable-freight-action-plan)

In December 2019, the Board approved the Fiscal Year 2019-20 Funding Plan, which will support California’s ambitious air quality and climate change goals and require a transformation of the on-road fleet. CARB’s investments for heavy-duty vehicles and off-road equipment are intended to support this transformation by demonstrating emerging technologies, advancing commercial viability through pilot deployment projects, and catalyzing further technological development by the private sector. CARB’s investment in this transformation also supports progress towards creating the jobs of the future and achieving and maintaining healthy and sustainable communities for all Californians.

**C. NEED FOR EMISSION REDUCTIONS**

Drayage and long-haul activities throughout California rely predominately on the use of diesel-fueled heavy-duty vehicles. These activities are a large source of GHG, criteria pollutant, and toxic air contaminant emissions. Since these trucks, as part of their normal activities, operate at ports, railyards, warehouse districts and some as regional haul, large amounts of oxides of nitrogen (NOx) and diesel particulate matter (PM) emissions significantly impact nearby communities. Reducing emissions from these activities is not only necessary to meet federally imposed clean air standards but also to reduce adverse health effects from their emissions, especially in disadvantaged communities.

The continued development and deployment of zero-emission technologies are necessary in order to meet California’s long term GHG emission reduction goals, protect public health, and reach attainment with increasingly more stringent federal air quality standards. Projects selected under this solicitation should be able to provide a significant reduction in GHG emissions and improve air quality for many affected areas within the State when this technology is fully integrated into the marketplace. Selected projects should be a model to other fleets when it comes to adopting zero-emission technologies, thus magnifying the future emission reduction potential of wide scale adoption.

**D. 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.

**KEY ACTIVITIES SCHEDULE**

ACTIVITY	ACTION DATE
Solicitation Release	November 19, 2020
Deadline for Written Questions by 5:00 p.m.*	December 14, 2020
Pre-Application Workshop*	December 17, 2020
Anticipated Distribution of Questions/Answers	January 15, 2021

<b>Deadline to Submit Applications by 5:00 p.m.*</b>	<del>[February 15, 2021]</del> <b>February 16, 2021</b>
Anticipated Notice of Proposed Awards Posting and Preliminary Award Letters	March 2021
Anticipated CEC Business Meeting	April 2021
Anticipated Grant Agreement Execution	Second Quarter 2021

**E. HOW AWARD IS DETERMINED**

Applicants passing administrative and technical screening (Section IV A) will compete based on evaluation criteria (Section IV E) and will be scored and ranked based on those criteria. Unless the CEC and CARB exercise 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 and CARB reserve the right to recommend partially funding that proposal. In this event, the proposed Applicant/Awardee, the CEC staff and CARB staff shall meet and attempt to reach agreement on a reduced scope of work commensurate with the level of available funding.

**F. AVAILABILITY OF FUNDS**

A total of \$44.1 million is available for awards under this solicitation. The CEC and CARB, at their sole discretion, reserve the right to increase or decrease the amount of funds available under this solicitation.

The highest scoring, passing application will be recommended for funding. The remaining funds will then be allocated to the next overall highest scoring application(s) in ranked order until all funds available under this solicitation are exhausted.

If additional funds become available and passing applications remain unfunded, those projects may be funded without reissuing a solicitation. If additional funding becomes available, the expenditure timeline of those new funds may extend the project end date beyond those listed in this solicitation.

**G. MAXIMUM AWARD AMOUNTS**

Projects are eligible for up to 50 percent of total project costs, or \$44.1 million, whichever is less. This solicitation offers \$24 million for the purchase of on-road zero-emission Class 8 trucks, \$20 million for supporting zero-emission vehicle infrastructure, and \$100,000 for workforce training and development. Selected Awardees will enter into two grant agreements: one with the CEC to fund

infrastructure and workforce training and development, and one with CARB to fund trucks.

#### **H. 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.

#### **I. PRE-APPLICATION WORKSHOP**

There will be one Pre-Application Workshop. Participation in this workshop is optional but encouraged. The Pre-Application Workshop will be held remotely through Zoom at the date and time listed below. Please call (916) 654-4381 or refer to the [CEC's website](http://www.energy.ca.gov/contracts/index.html) at [www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html) to confirm the date and time.

**December 17, 2020**  
**9:30 AM**  
**Remote Access Only**

Remote access is available by computer or phone through Zoom.

#### **J. 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://zoom.us) at <https://energy.zoom.us/j/96655305513?pwd=MHBMBmFoyMlgybEhlQXFUU2hoWjBUdz09>. You may also access the workshop by going to the [Zoom web page](https://zoom.us) at <https://join.zoom.us> and enter the unique meeting ID and password below:

**Meeting ID:** 966 5530 5513

**Meeting Password:** Drayage20

**Topic:** GFO-20-606 Pre-Application Workshop - Zero-Emission Drayage Truck and Infrastructure Pilot Project

##### **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.

##### **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](mailto:publicadvisor@energy.ca.gov), or (800) 822-6228.

## **K. QUESTIONS**

During the solicitation process, questions of clarification about this solicitation must be directed to the CEC's Commission Agreement Officer (CAO) 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 pm on the date listed in the Key Activities and Dates table earlier in this solicitation.

The questions and answers will also be posted on both the [CEC's website](http://www.energy.ca.gov/contracts/index.html) at: [www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html), and [CARB's website](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low) at: <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low>.

Any verbal communication with a CEC or CARB 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 questions will be addressed during the Pre-Application Workshop and formal responses will be posted approximately three weeks after the public meeting. This will be the only opportunity to have questions answered. All communication must be directed in writing to the CAO assigned to the solicitation.

## **L. CONTACT INFORMATION**

Kevyn Piper, Commission Agreement Officer  
California Energy Commission  
1516 Ninth Street, MS-18  
Sacramento, California 95814  
Telephone: [~~(916) 654-4845~~] **(916) 827-9241**  
FAX: (916) 654-4423  
E-mail: [Kevyn.Piper@energy.ca.gov](mailto:Kevyn.Piper@energy.ca.gov)

## **M. REFERENCE DOCUMENTS**

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

- [FY 2019-20 Funding Plan for Clean Transportation Incentives](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1)  
<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>
- [2019-2020 Investment Plan Update for the Clean Transportation Program](#)  
(CEC-600-2018-005-CMF)

<https://www.energy.ca.gov/proceedings/energy-commission-proceedings/2019-2020-investment-plan-18-alt-01>

- [2018-2019 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program](https://www.energy.ca.gov/proceedings/energy-commission-proceedings/inactive-proceedings/2018-2019-investment-plan-proceeding) (CEC-600-2017-010-CMF)  
<https://www.energy.ca.gov/proceedings/energy-commission-proceedings/inactive-proceedings/2018-2019-investment-plan-proceeding>
- [California Sustainable Freight Action Plan](https://dot.ca.gov/programs/transportation-planning/freight-planning/california-sustainable-freight-action-plan)  
<https://dot.ca.gov/programs/transportation-planning/freight-planning/california-sustainable-freight-action-plan>

## **N. RELEVANT LAWS, REGULATIONS, AND REPORTS**

This section covers only a subset of the laws, regulations, and reports that are relevant to the various types of projects that might be proposed.

If the Applicant proposes electric vehicle charging stations, then the chargers proposed for funding shall conform to the **most recent version** of the following:

- California Code of Regulations (CCR) Title 24, California Building Standards Code, Part 3 California Electrical Code.
- National Fire Protection Association (NFPA) 70: *National Electric Code with California Amendments*.
- California Public Utilities Code, Division 1 Regulation of Public Utilities, Part 1 Public Utilities Act, Chapter 4 Regulation of Public Utilities, Article 2 Rates, Section 740.20.

If the Applicant proposes hydrogen stations, then the hydrogen stations proposed for funding shall conform to the **most recent version** of the following:

- 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 and 4002. Additional Requirement, 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 Code, Part 2, Volume I, Chapter 11B, Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Public Housing.

- California Health and Safety Code Section 25510(a).
- Compressed Gas Association (CGA) [G-5.3, Commodity Specification for Hydrogen](#).  
<https://portal.cganet.com/Publication/Details.aspx?id=G-5.3>
- NFPA 2, Hydrogen Technologies Code.
- SAE International J2600 Compressed Hydrogen Surface Vehicle Fueling Connection Devices.
- SAE International J2601-2 Fueling Protocols for Heavy Duty Gaseous Hydrogen Surface Vehicles.
- SAE International J2719 Hydrogen Fuel Quality for Fuel Cell Vehicles.
- SAE International J2799 Hydrogen Surface Vehicle to Station Communications Hardware and Software.
- U.S. Department of Commerce/National Institute of Standards and Technology (NIST), Specifications, Tolerances, and other Technical Requirements for Weighing and Measuring Devices, NIST Handbook 44.

Applicants are encouraged to use the ***most recent version*** of the following tools, programs, codes, and handbooks when applying for hydrogen refueling infrastructure funding under this solicitation:

- California Department of Food and Agriculture, Division of Measurement Standards. [California Type Evaluation Program \(CTEP\)](#).  
<https://www.cdffa.ca.gov/dms/programs/ctep/CTEPInfoGuide.pdf>
- California Department of Food and Agriculture, Division of Measurement Standards. [California Type Evaluation Program \(CTEP\) Certificates of Approval Database Search](#).  
<https://www.cdffa.ca.gov/dms/ctep.html>
- California Environmental Protection Agency. [California Climate Investments to Benefit Disadvantaged Communities](#). SB 535 Disadvantaged Communities Map (June 2018 Update)  
<https://calepa.ca.gov/EnvJustice/GHGInvest/>
- Division of the State Architect (DSA) [Access Compliance Advisory Manual](#).  
<https://www.dgs.ca.gov/DSA/Resources/Page-Content/Resources-List-Folder/Access-Compliance-Reference-Materials>
- California Air Resources Board. [Low Carbon Fuel Standard Program](#).  
<https://ww3.arb.ca.gov/fuels/lcfs/lcfs.htm>
- [California Department of Tax and Fee Administration](#).  
<https://www.cdtfa.ca.gov>
- California Department of Tax and Fee Administration. [Sales & Use Tax in California](#).

<https://www.cdtfa.ca.gov/taxes-and-fees/sutprograms.htm>

- Governor's Office of Business and Economic Development. [Hydrogen Station Permitting Guidebook, Best Practices for Planning, Permitting and Opening a Hydrogen Fueling Station](http://www.businessportal.ca.gov/wp-content/Documents/ZEV/Hydrogen-Permitting-Guidebook.pdf). 2015.  
<http://www.businessportal.ca.gov/wp-content/Documents/ZEV/Hydrogen-Permitting-Guidebook.pdf>
- Pacific Northwest National Laboratory (PNNL). [Safety Planning for Hydrogen and Fuel Cell Projects](https://h2tools.org/sites/default/files/Safety_Planning_for_Hydrogen_and_Fuel_Cell_Projects.pdf).  
[https://h2tools.org/sites/default/files/Safety\\_Planning\\_for\\_Hydrogen and Fuel Cell Projects.pdf](https://h2tools.org/sites/default/files/Safety_Planning_for_Hydrogen_and_Fuel_Cell_Projects.pdf)

## II. Eligibility Requirements

### A. APPLICANT AND PROJECT TEAM REQUIREMENTS

#### 1. Eligibility

This solicitation is open to local air districts, California-based public entities, and California-based non-profit organizations.

Private sector parties (i.e., technology manufacturers and end-users) interested in securing funding for a technology or strategy, must partner with an eligible Applicant. Only projects submitted by eligible Applicants will be evaluated.

Along with an eligible Applicant, applications should include a project team, consisting of identified end users of the proposed vehicles or equipment, technology manufacturer(s), data collection and analysis provider(s), community-based organization(s) (CBOs)<sup>11</sup>, infrastructure provider(s), and subcontractor(s).

The Applicant must demonstrate its expertise at implementing large scale advanced technology deployment projects and providing sufficient administration and oversight.

#### 2. Responsibilities of Awardee and Project Team

Should an Applicant be awarded a grant, the Awardee will be responsible for administration of the pilot project.

- a. The Awardee's major responsibilities will include, but are not limited to, the following:
  - Developing and maintaining a project team that includes technology manufacturers, subcontractors, end-users, CBOs, and a data collection and analysis provider.
  - Administering the project.
  - Ensuring completion of required California Environmental Quality Act (CEQA) documents.
  - Overseeing truck technology manufacturer(s) and construction and installation subcontractors.

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<sup>11</sup> A community-based organization is defined as an organization that works at a local level to meet community needs. Organizations may include, but are not limited to, nonprofit organizations, formal and informal community groups, neighborhood groups, faith-based organizations, or special-interest clubs.

- Overseeing project budget, completion of milestones, and verifying the receipt of deliverables and the amount of funds being used for the project’s match requirement.
  - Reporting to the CEC and CARB on project status, grant performance, and match expenditures.
  - Developing and implementing a Zero-Emission Workforce Training and Development Plan (ZEV Workforce Plan) (Attachment 8).
  - Submitting quarterly project reports to the CEC and CARB.
  - Prepare and present at least two Critical Project Reviews to CEC and CARB staff as detailed in Attachment 5.
  - Submitting periodic grant disbursement requests to the CEC and CARB.
  - Ensuring purchase, installation, and maintenance of data logging or other data collection equipment.
  - Submitting data, as requested by the CEC and CARB.
  - Coordinating periodic project status update meetings.
- b. The technology manufacturers’ (vehicles and infrastructure) major responsibilities in the project will include, but are not limited to, the following:
- Providing the technical expertise in performance of the vehicles or infrastructure equipment throughout the project.
  - Timely achievement of stated project goals.
  - On-time reporting to the Awardee on project status and grant performance.
- c. The data collection and analysis provider’s major responsibilities in this project will include, but are not limited to, the following:
- Installation and maintenance of data collection equipment on advanced technology and baseline vehicles, refueling equipment, and facilities.
  - Ensuring the data collection equipment works with the vehicles being demonstrated for this project.
  - Coordination with the Awardee and other project partners on data to be collected.
  - Collection, analysis, and reporting of collected data.

- d. The community-based organization must, at a minimum:
- Provide a letter of support for the project.

**3. Awardee and Project Team Reporting Requirements**

- a. Progress reports from all project partners will be submitted to the Awardee quarterly. The Awardee is responsible for forwarding all progress reports, unaltered, to the CEC and CARB by the 10<sup>th</sup> of the month on a quarterly basis. Additionally, every grant disbursement request shall be accompanied by a progress report, in addition to any other required reports, that documents the time interval, expenditure of both reimbursable and match funds, and the completion of specific project milestones, including any specific deliverables as defined for that milestone.
- b. In order to ensure consistent data analysis across all CEC- and CARB-funded projects, specific data elements will be required to be collected. Formats for data collection are listed in Attachment 20.

Data collection will be accomplished by an identified member of the proposed project team with experience in collecting and analyzing data from large and complex projects. The types of data to be collected will be determined at the CEC and CARB's sole discretion, as outlined in Attachment 20 or as modified by the CEC and CARB at its sole discretion, in consultation with the project's technology manufacturer(s), end-users, data collection and analysis provider and Awardee. The Awardee and project team must work cooperatively with the data analysis provider and supply data as requested in a timely manner. The sharing of data collected from truck packages, funded infrastructure and facility improvements, and other relevant equipment with the Awardee and project team, the CEC and CARB is required.

Data collection will be required throughout the project and submitted to the CEC and CARB as part of project milestones and in the quarterly progress reports. The Awardee must coordinate the installation of data logging or other equipment to facilitate data collection. The type of data to be collected includes, but is not limited to, fuel/electricity consumption and cost, fueling/charging times, state of charge information for battery and fuel cell electric vehicles and equipment, odometer readings, scheduled and unscheduled maintenance information, labor hours and cost for scheduled and unscheduled maintenance, relevant telematics and Global Positioning System (GPS) data, operating costs, hours of operation, vehicle and equipment idle times, temperatures, facility

efficiency improvement metrics, workforce trainee feedback, and end user experience.

- c. A final report must be submitted to the CEC and CARB by the Awardee at the conclusion of the project. The project will not be complete until the final report has been accepted by the CEC and CARB. The final report will include, but will not be limited to, a summary of the progress reports, any deliverables that were committed to in the project, the results from any emission testing performed, and any other information required by the CEC and CARB. The CEC and CARB each retain the right to withhold up to 10 percent of each grant award amount in retention until the CEC and CARB accept the final report under their respective agreements. For grant agreements resulting under this solicitation, 10 percent retention will be withheld on Administrative and Outreach expenses. See II.C., Eligible Project Costs for more details.

#### **4. Terms and Conditions**

Each grant agreement resulting from this solicitation will include terms and conditions that set forth the Awardee's rights and responsibilities. By providing the required authorizations and certifications, each Applicant agrees to enter into two separate grant agreements, if awarded (one with the CEC and one with CARB), to conduct the proposed project according to the terms and conditions without negotiation (Attachment 17 and 18).

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 and CARB reserve the right to modify the terms and conditions prior to executing grant agreements.

#### **5. 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 and CARB prior to their project being recommended for approval at a CEC Business Meeting and approved by CARB staff.

## **B. PROJECT REQUIREMENTS**

### **1. Eligible Projects**

- All proposed projects must be located in California.
- All proposed projects must deploy on-road zero-emission Class 8 trucks and the necessary charging or refueling infrastructure and include a ZEV Workforce Plan.
- All technologies, including trucks and supporting infrastructure, should be a commercial product at the time of application. For the purpose of this solicitation, the CEC and CARB will be using the federal procurement policy definition of “commercial product”<sup>12</sup>. If the trucks are not yet commercially available<sup>13</sup> when the application is submitted, then the Awardee must have a reasonable, realistic, and expedited plan to obtain an Executive Order from CARB by June 1, 2022. If the supporting infrastructure technology is not commercially available, the proposed project technology must have demonstrated successful continuous operation for at least six months and the Awardee must submit a reasonable, realistic, and expedited plan for commercialization of the technology from its project partner(s).
- Vehicle technologies must produce no tailpipe emissions of GHG, criteria pollutant, or toxic air containment during the truck’s entire duty cycle, whether stationary (idling) or operating.
- Applicants must demonstrate that the proposed projects will reduce on-road motor vehicle air emissions.
- Applicants must demonstrate how proposed projects will support air quality improvements in and provide measurable benefits to disadvantaged and low-income communities, priority populations, and/or tribal lands.
- Projects are not required to be located in disadvantaged communities to be eligible for funding; however, in accordance with the evaluation criteria, projects will be evaluated, in part, on the degree to which the proposed project is located in disadvantaged

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<sup>12</sup> [Commercial Product Definition. Federal Procurement Policy. 41 U.S. Code § 103.Commercial product](https://codes.findlaw.com/us/title-41-public-contracts/41-usc-sect-103.html) (https://codes.findlaw.com/us/title-41-public-contracts/41-usc-sect-103.html)

<sup>13</sup> [Commercially Available Definition 41 U.S. Code § 104.Commercially available off-the-shelf item](https://codes.findlaw.com/us/title-41-public-contracts/41-usc-sect-104.html) (https://codes.findlaw.com/us/title-41-public-contracts/41-usc-sect-104.html)

or low income communities. Refer to Section III.D.7. for requirements.

- For purposes of this solicitation, tribal lands refer to lands located in the State of California that are tribally owned lands, buildings, or facilities.
- Each funded project must provide a minimum of 12 months of data collection on the full deployment of vehicles and infrastructure, submitted electronically as part of the quarterly progress reports, rather than in a summary report at the conclusion of the 12 months (Attachment 20).

## **2. Eligible Vehicle Technologies and Fleet Requirements**

- Applicants are encouraged to deploy at least 50 on-road, zero-emission Class 8 trucks in a single fleet. Applicants may propose less than 50 on-road, zero-emission Class 8 trucks in a single fleet or may propose multiple fleets; however, the number of vehicles per single fleet will be evaluated (see Section IV.E. Evaluation Criteria). In accordance with the evaluation criteria, applications will be evaluated, in part, on the degree to which the proposed project maximizes the number of zero-emission trucks deployed in a single fleet.
- Vehicles must be zero-emission, on-road Class 8 trucks.
- Technologies that are eligible include battery-electric trucks, fuel-cell trucks, and battery-electric trucks utilizing fuel cells acting as range extenders.
- Fleets may choose to have up to two vehicle manufacturers within a fleet.
- The integration of some battery electric and some fuel cell trucks in a single fleet is allowable.
- On-road heavy duty trucks that transport containers and bulk to and from the ports and intermodal railyards as well as other locations must be able to operate in the fleet's typical duty cycle for a minimum of 150 miles on a single fueling. Regional haul trucks must be able to operate in the fleet's typical duty cycle for a minimum of 200 miles on a single fueling.
- The fleet and truck manufacturer must agree that truck performance and specifications are met before payment of trucks occur.
- The reimbursable amount for any truck or truck package is based on range and payload capacity. Amount of funding available per truck package is the lesser of the following:

- \$1,600 per mile of minimum daily range per single fueling event multiplied by actual cargo capacity plus the weight of the trailer divided by 56,000 lbs.;
- Half of the cost of the truck; or
- \$500,000.
- Truck package includes:
  - Class 8 zero-emission truck
  - Intelligent Transportation Systems (ITS)
  - Zero-emission transportation refrigeration units
  - Low rolling resistance tires
  - Aerodynamic and/or hybrid trailers
- All trucks must be deployed by **June 15, 2023**.
  - Truck roll-out over time is anticipated; however, applications will be evaluated, in part, on the degree to which the project timeline is expedited and the timeline for vehicle deployment aligns closely with infrastructure installation.
  - Data collection shall begin upon the deployment of each truck, with a minimum of 12 months of data from a fully deployed fleet.
- Manufacturers must demonstrate economies of scale.
- All trucks, no matter the technology, must have a CARB Executive Order by **June 1, 2022**.
  - Applicants must have either a CARB Executive Order<sup>14</sup> at time of application or provide a reasonable, realistic and expedited plan to obtain a CARB Executive Order by June 1, 2022.
  - The CEC and CARB have the discretion to adjust this date.
- Stacking of public funds is permissible, with the exception of the Volkswagen Beneficiary Mitigation Trust and the Clean Truck and Bus Voucher project (HVIP). Any public funds used for stacking must be declared at the time of application and must comply with all requirements associated with the stacking funding source.
- At the end of this project, fleets will maintain ownership of the trucks.

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<sup>14</sup> [Executive Orders, Certifications, & Verifications](https://ww2.arb.ca.gov/executive-orders-certifications-verifications) (https://ww2.arb.ca.gov/executive-orders-certifications-verifications)

- Lease options are eligible under this project. Lease terms must be in place throughout the project term.
- The proposed on-road trucks must be approved for use by the fleet that will be using them in the demonstration, and confirmation of that approval must be indicated in a memorandum of understanding or letter between the fleet and the truck manufacturer.
- Applicants must include documentation in the application that all vehicles in the proposed project will be operated more than 50 percent of the time on California roadways. Applicants must also include proof that they are compliant with all State requirements, such as, but not limited to, Department of Motor Vehicles licensing, California Highway Patrol requirements, and others.

### 3. **Eligible Infrastructure Technologies for Project Pilot Trucks**

CEC funding under this solicitation must be utilized for new or upgrades to existing charging or refueling infrastructure to support the proposed zero-emission Class 8 trucks in each project. This can include battery-electric charging infrastructure and equipment and hydrogen refueling stations and equipment.

No proprietary charging or refueling receptacles will be permitted within this solicitation—the proposed project should help further the infrastructure standardization efforts to facilitate medium- and heavy-duty (MD/HD) vehicle charging and hydrogen refueling.

Charging and refueling equipment should be placed at one location, preferably the physical address from where the trucks operate and return after each duty cycle. Applications may request funding for a single secondary site; however, Applicants must describe the purpose and function of the secondary site in their application. One of the goals of this solicitation is to understand fleet dynamics when deploying a large number of zero-emission trucks and supporting infrastructure, including assessing the ability of fleets to recharge or refuel large numbers of trucks on a daily basis—sometimes multiple times per day.

#### ***Zero-Emission Vehicle Charging.***

Zero-emission vehicle infrastructure projects must include deployment of chargers for eligible vehicles and may include funding for panels, conduit, and wiring at the facility level, as well as upgrades to distribution infrastructure including meters and transformers, to support current and

future deployment of on-road zero-emission Class 8 vehicles. Projects may also include deployment of renewable distributed energy resources (DER) for supplying power to zero-emission vehicle chargers provided the DER is permanently installed on site. Transportable DER or DER not used to power zero-emission vehicle chargers or the onsite production of hydrogen are not eligible.

AB 841 (Ting, 2020) added Public Utilities Code (PUC) section 740.20, which requires Electric Vehicle Infrastructure Training Program (EVITP) certification to install electric vehicle charging infrastructure and equipment for work performed on or after January 1, 2022, subject to certain exceptions. As a policy matter, the CEC is applying the EVITP certification requirements to project work resulting from this GFO, regardless of whether it might be performed prior to January 1, 2022, unless an exception applies.

Therefore, applying PUC 740.20 EVITP requirements to this GFO means that all electric vehicle charging infrastructure and equipment located on the customer side of the electrical meter shall be installed by a contractor with the appropriate license classification, as determined by the Contractors' State License Board, and at least one electrician on each crew, at any given time, who holds an EVITP certification. Projects that include installation of a charging port supplying 25 kilowatts or more to a vehicle must have at least 25 percent of the total electricians working on the crew for the project, at any given time, who hold EVITP certification. One member of each crew may be both the contractor and an EVITP certified electrician. The requirements stated in this paragraph do not apply to any of the following:

1. Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility.
2. Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard Program (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations).
3. Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

Zero-emission vehicle charging infrastructure eligible for funding shall:

- Facilitate vehicle-charger interoperability. Eligible charging equipment shall utilize charging connectors and/or charging

interfaces that are compatible for use with MD/HD trucks sold by multiple original automotive equipment manufacturers for widespread use across California and North America. Such connectors/interfaces may include but are not limited to SAE J1772 CCS1, SAE J3105, or others.

- Leverage open standards-based network communications. Each individual electric vehicle supply equipment (EVSE) or charger shall be capable of open standards-based communications with an electric vehicle service provider (EVSP), local fleet energy management system (EMS), or utility. These communications should enable remote monitoring and help maintain reliable equipment operations. These functions and their associated design include:
  - Network connectivity (one of the following):
    - IEEE 802.11n for high-bandwidth wireless networking
    - IEEE 802.3 for Ethernet for local- or wide- area network applications
  - Ability to receive remote software updates, real-time protocol translation, encryption, and decryption:
    - Internet Protocol (IP)-based processor must support multiple protocols
    - Compliant with Transmission Control Protocol (TCP)/IP and IPv6

To encourage customer choice, these network communication standards may include but are not limited to Open Charge Point Protocol (OCPP, versions 1.6 or later), Open Automated Demand Response (OpenADR, IEC 62746-10-1 ED1), or those outlined by the Smart Grid Interoperability Panel (SGIP) Catalog of Standards, the NIST Smart Grid Framework, the American National Standards Institute (ANSI), or other well-established international standards organizations such as the International Organization for Standardization (ISO), International Electrotechnical Commission (IEC), International Telecommunication Union (ITU), Institute for Electrical and Electronics Engineers (IEEE), or Internet Engineering Task Force (IETF).

- Be capable of managing charging costs and supporting grid reliability. Eligible charging equipment shall, leveraging the open standards-based network communications described above, be capable of receiving energy management signals (such as hourly prices or direct load controls) from an EVSP, EMS, or utility. Eligible charging equipment shall be capable of automatically adjusting

charging load in consideration of the energy management signal, subject to the constraints of driver preferences, and vehicle energy and operational schedule requirements.

- *Optionally*, be capable of bidirectional power flow. Eligible equipment shall be capable of facilitating and metering bidirectional or reverse power flow between the vehicle and the grid. Communications between the charger and other electrical control signals (for example, those of a utility, islanded load, or building) are not specifically defined to allow for project-specific implementation.

**Hydrogen Refueling.** Hydrogen infrastructure is limited to private-access stations only.

Applicants shall commit to developing a Hydrogen Safety Plan for the proposed project that addresses the hydrogen fueling infrastructure that will support the fleet's Class 8 trucks. Applicants shall also commit to participate in an early design review by the Pacific Northwest National Laboratory's or Center for Hydrogen Safety's Hydrogen Safety Panel (HSP) and work with the HSP on any safety related incidents. Applicants are encouraged to meet with a representative of the HSP prior to submitting their application to establish a common understanding of the Hydrogen Safety Plan and design review requirements.

- **Hydrogen Safety Plan:** After an award, each of the Awardee's grant agreements will require a Hydrogen Safety Plan to demonstrate that hydrogen safety has been adequately incorporated into project planning and execution. The Awardee must prepare (a) preliminary Hydrogen Safety Plan(s) and submit it to the HSP to review. If the Awardee wishes the plan to be kept confidential by the HSP, the Awardee must work directly with the HSP to obtain confidentiality. The Awardee must share a non-confidential copy of the Hydrogen Safety Plan with the CEC and CARB. The HSP will assess the preliminary Hydrogen Safety Plan(s) for adherence to the most recent version of public guidelines titled Safety Planning for Hydrogen and Fuel Cell Projects. The Hydrogen Safety Plan shall describe the Awardee's work and activities to ensure safety, the technologies being demonstrated, and the evaluation results of any hazard analysis performed. The Awardee shall also include the following in the Hydrogen Safety Plan:
  - A detailed description about how the Awardee will conform to the National Fire Protection Association (NFPA) 2, Hydrogen Technologies Code 2020 edition. The current edition of NFPA 2 should be used unless another edition is

specifically required by the authority having jurisdiction (AHJ) where the facilities and equipment will be located. If the AHJ is using an older edition, the Awardee is recommended to work with the AHJ to consider using the latest edition as it has been updated to better address fueling infrastructure safety. Should the Awardee's compliance lapse, the CEC and CARB reserves the right to cancel the Awardee's grant agreements funded by this solicitation.

- A detailed description about how the Awardee will provide safety training for the hydrogen fueling infrastructure's initial operation and safety training for all operators. Should the training lapse, without limitation to any other rights, the CEC and CARB reserves the right to cancel the Awardee's grant agreements funded by this solicitation.

The HSP will forward their non-confidential assessment of the preliminary Hydrogen Safety Plan to the CEC, CARB, and the Awardee. The Awardee shall prepare a final Hydrogen Safety Plan following the HSP assessment. As with the preliminary Hydrogen Safety Plan, it is up to the Awardee to work directly with the HSP to submit the Awardee's final Hydrogen Safety Plan to the HSP. If the Awardee wishes the plan to be kept confidential by the HSP, it is up to the Awardee to work with the HSP to achieve that.

Should the Awardee opt to not accept comments from the HSP assessment, the Awardee shall provide an explanation of their rationale to the CEC and CARB. These activities shall be completed by the dates specified in the Schedule of Products and Due Dates.

- **Hydrogen Safety Design Review:** After an award, the Awardee shall commit to participate with the HSP in early design reviews for the hydrogen fueling infrastructure, before submitting the design plans to the authority having jurisdiction. The Awardee shall work with the HSP to determine the timing and scope of their design review participation, including options for remote or in-person reviews.

Participating in HSP design reviews will be a mandatory technical task and shall be completed by the dates specified in the Schedule of Products and Due Dates. Should the Awardee cease participating in design reviews, without limitation to any other rights, the CEC and CARB reserve the right to cancel any of the grant agreements funded by this solicitation.

- **Reporting Safety Incidents:** Hydrogen refueling stations funded by this solicitation shall conform to the California Health and Safety Code Section 25510(a). The Awardee shall submit report(s) of any

unintended hydrogen releases to the Certified Unified Program Agency (CUPA), the CEC and CARB. The Awardee shall also report safety incidents using the National Renewable Energy Laboratory (NREL) Data Collection Tool (Attachment 19). The Awardee shall include the HSP in any fact-finding or investigation of any safety incident. Should the Awardee not follow the requirements for reporting safety incidents, without limitation to any other rights, the CEC and CARB reserve the right to cancel or amend any of the grant agreements funded by this solicitation.

- Coordination with the Awardee and other project partners on data to be collected.
- Collection, analysis, and reporting of collected data.

#### **4. ZEV Workforce Plan**

Workforce training and development data must include, but is not limited to, the following:

- Total number of workers trained and/or hired, job titles, occupations and specific role(s) in the project, and status of each trainee at the end of the project.
- Curricula, training materials, and trainee feedback.
- Number of hours of training provided for each trainee.
- Itemized budget, expenditures, and training costs.
- Data in compliance with the EVITP including certification data of allowable personnel.
- Findings and recommendations.

#### **5. Ineligible Projects**

The following stand-alone project types are not eligible:

- Surveys
- The use of DER for purposes other than supplying power to zero-emission charging/fueling infrastructure
- Test for regulatory compliance

### **C. ELIGIBLE PROJECT COSTS**

Costs incurred for the following are eligible for the CEC or CARB reimbursement or as the Applicant's match share and can include:

1. For Vehicle Technology
  - Truck purchase as defined in Section II, subsection B-2.
  - Vehicle maintenance

- Data collection equipment
2. For Battery Electric Vehicle Charging Infrastructure
    - Electric vehicle supply equipment (EVSE or chargers)
    - Transformers
    - Electric Panels
    - Electricity transmission materials (wiring, conduit, hangers, etc.)
    - Energy storage equipment
    - Photovoltaic solar panels separately metered for electric charging
    - Installation/construction costs
    - Maintenance facility upgrades
    - Utility service upgrades
    - Planning and engineering design costs
    - Network agreement with network provider
    - Extended warranties
    - Stub-outs
    - Demand management equipment
    - Equipment maintenance
    - Data collection equipment
  3. For Hydrogen Refueling Infrastructure
    - Subcontracts
    - Compressors
    - Heat exchangers
    - Hydrogen transmission materials (piping, etc.)
    - Chillers
    - Dispensers with hose and nozzles
    - High pressure hydrogen storage tanks
    - Onsite hydrogen production
    - Planning and engineering design costs
    - Electrical upgrades necessary to power hydrogen station
    - Installation/construction costs
    - Maintenance facility upgrades
    - Mobile refueling trucks
    - Equipment maintenance
  4. For the ZEV Workforce Plan (No more than \$100,000 in project funds funding per project)

- ZEV Workforce Plan development (Attachment 8)
  - Workforce training and development
  - Hiring plan
  - ASE certification costs for non-fossil fuel technologies
  - Tuition reimbursement at community colleges, trade schools, etc.
  - Train-the-trainers
  - Curricula development
  - Data Collection
5. For Administration (10 percent retention will be withheld on Administration expenses)
- Project management
  - Report preparation
  - Invoicing
6. For Outreach (10 percent retention will be withheld on Outreach expenses)
- Public outreach on the benefits of alternative transportation fuels and vehicle technologies
  - Community outreach and equity engagement that highlights environmental, economic, and jobs benefits of zero-emission vehicle and infrastructure technologies and supply chains.

Awardees will not be reimbursed for permitting, electricity for charging or fuel costs, or EVITP training and certification. These expenses may be counted towards match share only. Utility incentives for behind-the-meter infrastructure and rebates for charging equipment may also be counted towards match share. Costs for any planned charging or refueling sites, beyond a secondary site, are not eligible as reimbursed or match share costs. Additionally, costs for any equipment related to public access hydrogen refueling stations are not eligible as reimbursed or match share costs. See Match Funding Requirements below.

***NOTE: Costs incurred prior to executing the grant agreements will not be reimbursed by the CEC or CARB.***

## **D. 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 requested grant amount plus the Applicant's match share). Match costs for infrastructure and

workforce training and development may be counted towards the CEC's grant agreement; match costs for trucks may be counted towards CARB's grant agreement. Other match costs associated with administrative and data collection tasks may be split between CEC and CARB.

"Match funding" or "match share" means cash or in-kind (non-cash) contributions provided by the Applicant, 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.

Match share expenditures for both the CEC and CARB have the following requirements:

- a. The Applicant and its team must demonstrate that their technical and financial resources are sufficient to meet their cost share commitment and complete the proposed project.
- b. At a minimum, total match share must conform to the "Cash Match Share Requirement" contained in this solicitation.
- c. All match share expenditures must conform to the terms and conditions of this solicitation and the resulting grant agreements (Attachments 17 and 18).
- d. Applicants must disclose the source and provide verification and documentation for the match share funding committed to the project.

If a project partner proposes to provide any part of the required match, the Applicant must include a letter from each project partner stating that it is committed to providing a specific dollar value and the source of those funds. Match letters from project partners must be signed by someone who has the authority to commit those funds and will be considered binding on the Applicant. Letters that do not have specific dollar amounts may not be considered.

For any additional match share beyond the required match that may be committed by a project partner, Applicants are encouraged to submit a letter from each match share project partner identifying the source(s) and availability of match funding.

- e. During the term of the grant agreements, Awardees will be required to document and verify all match share expenditures through invoices submitted to the CEC and CARB.

- f. Match share funding may be in the form of cash, such as compensated labor hours, including allowable fringe benefit and overhead, travel, materials, supplies, equipment, subcontractor costs, and other miscellaneous expenditures, such as electricity and hydrogen costs.
- g. Match share expenditures (cash and/or in-kind) must be documented, reasonable, allowable, and allocable to the project as determined by the CEC and CARB.
- h. 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).
- i. Match share expenditures are allowable under the grant agreements once the CEC and CARB notifies the Applicant that its project has been proposed for an award through the release of a Notice of Proposed Awards (NOPA) and Preliminary Award Letters. Match expenditures incurred prior to the approval and execution of the grant agreements are made at the Applicant's own risk. The CEC and CARB are not liable for Applicant's match share costs if the grants are not approved, if approval is delayed, or if the match share expenditure is not allowable under the terms and conditions of the grants or this solicitation. Please note that non-match expenditures incurred prior to execution of the grant agreements are not reimbursable from CEC or CARB funds.

## **2. Cash Match Share Requirement**

There is no cash match requirement.

Cash match means the net of any funds actually expended by the Applicant or the project team 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 both of the approved agreement budgets, 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.

### 3. **In-Kind Match Share**

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

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

### 4. **Match Share Restrictions**

- a. ***Other Sources of CARB and CEC Funding*** – CEC and CARB funded assets may not be used as match. Other sources of CEC funding, Volkswagen Environmental Mitigation Trust funding and Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) vouchers, may not be used as match share; other federal, state, and local funds may be allowable as long as they are identified at the time of application.
- b. ***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.
- c. ***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 percent of the monthly fair market value of the entire building can be claimed as match while the building is being used for the project.
- d. ***Documentation*** – If selected for an award under this solicitation, all claimed match share expenditures must be adequately documented to the CEC and CARB during the grant 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.

## **E. UNALLOWABLE COSTS (REIMBURSABLE OR MATCH SHARE)**

For an item of cost to be allowable, it must be included in the approved grant agreements' budget and allowable per the terms and conditions of the resulting agreements. The following are examples of unallowable costs under the grant agreements 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 percent profit but only charges 4 percent 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 expense.
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 and CARB award. Only actual costs incurred and paid to the employee are allowable. Therefore, if an employee is **actually** paid \$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.
5. ***Property Not Owned by the Applicant*** – Donated property may not be claimed as match share.
6. ***Existing Property Owned by the Applicant*** – Applicants may not use the property's depreciation expense as a method to allocate the value of the property to the project.
7. ***Property Owned by a Related Party*** – Applicants may not use property owned by a related party as match share. 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 or project team.

8. ***Transportable DER***—DER for supplying power to electric vehicle chargers must be permanently installed on site. Transportable DER or DER not used to power electric vehicle chargers or the onsite production of hydrogen are not eligible as a reimbursable or match share expense.
9. ***Training for Compliance*** – Training for Occupational Safety and Health Administration (OSHA) requirements and other required compliance or regulatory training is not eligible as a reimbursable or match share expense.

### **III. Application Format, Required Documents, and Delivery**

#### **A. REQUIRED FORMAT FOR AN APPLICATION**

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

All applications submitted under this solicitation must use a standard 12-point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled.

#### **B. METHODS OF DELIVERY**

##### **Electronic Submission through the Grant Solicitation System**

The method of delivery for this solicitation is the CEC's [Grant Solicitation System](https://gss.energy.ca.gov/), 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. Completed Budget Forms (Attachment 6) must be in Excel format. The system will not allow applications to be submitted after the due date and time.

First time users must register as a new user to access the system. Applicants will receive a confirmation email after all required documents have been successfully uploaded. You may contact the CAO identified in the Questions section of the solicitation for more assistance.

#### **C. PAGE LIMITATIONS**

The number of pages for each Project Narrative is limited to 25 pages. Application forms, table of contents, Executive Summary, resumes, scopes of work, schedules of products and due dates, budget forms, contact lists, letters of support/commitment, CEQA worksheets, Local Health Impacts Information form, and vehicle Executive Orders do not count towards this page limitation.

#### **D. APPLICATION ORGANIZATION**

The table below describes the order in which the application documents must be submitted. Column three states the action the Applicant must take in either: 1) completing and submitting the document, template, or form included as part of this solicitation; or 2) providing the required information by creating their own

document. All attachments listed below are required as part of the application package. Failure to provide any attachments may result in disqualification of the application. Attachment requirements are expanded and explained below in this section.

<b>Item</b>	<b>Attachment Number</b>	<b>Action Needed by Applicant</b>
Application Form	Attachment 1	Complete form
Project Executive Summary	Attachment 2	Create referenced document
Project Narrative	Attachment 3	Create referenced document
Scope of Work/Work Plan	Attachment 4	Complete document from supplied template
Schedule of Products and Due Dates/Milestones	Attachment 5	Complete form
Budget Forms	Attachment 6	Complete form
Disadvantaged Communities Eligibility Determination	Attachment 7	Create referenced document
ZEV Workforce Plan	Attachment 8	Create referenced document
Procedure for Handling Confidential Information	Attachment 9	Complete form
Resumes/Applicant Qualifications	Attachment 10	Create referenced document
Contact List	Attachment 11	Complete form
Letters of Support/Commitment	Attachment 12	Create referenced document
CARB Executive Order	Attachment 13	Attach CARB Executive Order, if available
CEQA Worksheet	Attachment 14	Complete form
Local Health Impacts Information Form	Attachment 15	Complete form
Conflict of Interest Declaration	Attachment 16	Create referenced document

**1. Application Form**

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

The Application Form provides space for Applicants to describe project eligibility and Applicant eligibility, and provides the declaration, statements of commitment, and certifications to which an authorized representative of the Applicant must agree.

All Applicants must authorize the CEC and CARB to make any inquiries necessary to verify the information presented in the application. Further, all Applicants must authorize the CEC and CARB 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 has been properly identified.
- All information in the application is correct and complete to the best of the Applicant's knowledge.
- The Applicant and project team have read and understand 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 Applicant is neither delinquent on taxes nor suspended by the California Franchise Tax Board.
- The Applicant is registered to do business in California with the California Secretary of State.
- The Applicant and project team are in compliance with all regulations, and judgments, if any, issued against the Applicant or any members of the project team in any matter to which the CEC, CARB, or another public agency or entity is a party.
- The Applicant or any project partner is not in active litigation with the CEC or CARB regarding the Applicant's or project partner's actions under a current or past contract, grant, or loan with the CEC or CARB.
- The person electronically submitting the application through the [Grant Solicitation System](#) is an authorized representative of the Applicant.

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

As a result of COVID-19, the CEC and CARB, until further notice, have 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>.

## 2. **Project Executive Summary**

The Project Executive Summary is a summary of the proposed project and should not include information that is not in the rest of the proposal. The Project Executive Summary will also serve as the required *Project Summary for Public Posting*. This document is required for all competitive applications for Low Carbon Transportation GGRF funds and will be publicly posted on [CARB's website](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program-0) (<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program-0>) for at least ten days before NOPA. The project summary must not exceed 500 words when printed using standard 8.5" by 11" paper, with a minimum of 1" margins (top, bottom, left, and right), and a font not smaller than 12-point.

The Project Executive Summary is a self-contained document that identifies:

- The name of the Applicant.
- The project technology demonstrator(s).
- The project title.
- The objectives of the project.
- A description of the project.
- If the project is to be located in or providing benefit to disadvantaged or low-income communities.
- Technologies to be utilized and supporting infrastructure.
- Potential benefits and outcomes.
- Major project partners (including major subcontractors).
- Total project cost.
- Requested funding amount.
- Match amounts proposed.
- Expected emission reductions from the entire project in criteria, toxic and GHG.

## 3. **Project Narrative**

The Project Narrative must include a table of contents (which will not count towards the page limitations) and 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/Work Plan.

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

Applicants must not include internet addresses (URLs) as a substitute to providing information necessary to review the application. Applicants must provide bibliographic citations for any references cited, including names of all authors, the article and journal title, book title, volume number, page numbers, and year of publication.

**a. Applicant and Project Team Experience and Qualifications**

1. Describe the Applicant's experience and expertise developing, implementing, or administering similar demonstration projects and working with vehicle and equipment manufacturers, technology providers, and other stakeholders. Identify how this background will enable the Applicant to efficiently and effectively implement the Zero-Emission Drayage Truck and Infrastructure Pilot Project.
2. Describe how the Applicant and project team's experience and qualifications are well-rounded and suitable to the tasks described in the proposed Scope of Work.
3. Describe the Applicant and project team's ability to establish and adhere to realistic and aggressive timelines.
4. Demonstrate key project partners, such as identified end users of proposed vehicles or equipment, technology manufacturer(s), data collection and analysis provider, workforce training partners, and eligible community-based organizations, are committed to the proposed project. Describe verifiable related experience, identifying project size, location, and completed deadlines. Explain how key project partners' qualifications, skills, abilities, and relevant technical and business experience align with the needs of the project and with the successful completion of the project.
5. Demonstrate the ability of the truck manufacturer to build, deliver and put into service large numbers of zero-emission trucks in a timely manner. This discussion should address the ability to build the proposed trucks and plans for large scale commercialization of the trucks.

6. If Applicant has received an award(s) from a previous CEC or CARB solicitation, Applicant must describe how the requirements of the agreement(s) have been fulfilled/are being fulfilled.

**b. Project Implementation**

1. Describe how the trucks and infrastructure to be deployed are appropriate for the proposed project. Applications shall describe equipment manufacturers, charger connector/plug standards, fuel delivery methods (for hydrogen projects), security measures, and safety standards.
2. Describe the timeline for deploying zero-emission Class 8 trucks. Applications must include a deployment schedule that ensures successful project completion within the timeframe specified in this solicitation. Applications must also include information documenting total number of Class 8 trucks within the fleet that have the potential of being replaced with a zero-emission truck. Applications shall include plans for future vehicle acquisitions beyond project closeout.
3. Describe how the proposed project will successfully lead to understanding fleet dynamics for a large fleet of zero-emission trucks and supporting infrastructure at one site, including assessing the ability of fleets to recharge or refuel large numbers of trucks on a daily-basis, sometimes multiple times per day. If proposing to use a secondary site, describe how the purpose and function of the secondary site. Describe any other planned charging or refueling sites, beyond a proposed secondary site.
4. Explain how the Applicant and project team will meet the requirements for legal operations on California roadways, usage on port properties, rail yards, and other sites where funded trucks and equipment will be operated.
5. Explain how the Applicant will accomplish required government certification, classification society certifications, and verification protocols where applicable.
6. Describe how the Applicant will work with the utilities for fleet infrastructure upgrade planning.
7. Describe approaches, strategies, and partnerships needed for the development and implementation of the ZEV Workforce Plan (Attachment 8).
8. Describe how the tasks in the Scope of Work and the dates project's Schedule of Products and Due Dates are complete,

sequential, and will lead to successful and scheduled completion of the project.

9. Describe the proposed project site and document site control. Site control includes, but is not limited to leases or ownership, security, and access rights.
10. Include information documenting progress towards achieving compliance under CEQA. If CEQA compliance has not been obtained, Applicants must include a schedule showing a reasonable, realistic and expedited plan to obtain CEQA compliance by April 1, 2021. See Attachment 14 for CEQA requirements.
11. Include information documenting planned or unplanned truck and refueling equipment service support that will be deployed to address issues in the field when they arise. This can be personnel in maintenance, service, operations, and remote diagnostics in terms of availability, response times, and length of time servicing equipment.
12. Discuss how the trucks and fueling infrastructure will continue to operate beyond the term of CEC and CARB's grant agreements.

**c. Project Budget**

1. Discuss how the proposed budget implements cost-saving strategies that reduce total project costs of the proposed project.
2. Demonstrate that administration and overhead expenses are minimized.
3. Demonstrate the need for state funds for successful completion of the proposed project.
4. Include information documenting the source, type, availability, and amount of match share funds committed to the proposed project. Applicants should be as specific as possible when describing cash or in-kind match services (i.e. itemize staff time, equipment, consumables, or other costs that are being committed).

**d. Environmental and Economic Benefits**

1. The Applicant must use the methodology in Attachment 21 (Methodology for Determining Emission Reductions and Cost-Effectiveness) to determine emission reductions and cost-effectiveness of proposed projects and include the calculations and results here. Only variables from

Attachment 21 can be used to calculation emission benefits and cost effectiveness values reported in an application. Applicant supplied variables or methodology will not be used for performing the required calculations. If the Applicant believes that an alternate methodology better conveys the benefits of their proposed project that alternate methodology can be included in the application along with the required methodology described in Attachment 21. If additional emission factors are needed to complete an application only two sources are approved for use. GHG emission factors can be sourced from the CCI Quantification Methodology Emission Factor Database dated May 7, 2020. Criteria and toxic emission factors can be sourced the 2017 Carl Moyer Program Guidelines, as updated in 2017. All calculations and assumptions made must be shown clearly and in their entirety. **SHOW ALL MATH** used in calculations. Inaccurate calculations could result in disqualification.

2. Describe the proposed project's estimated reductions of GHG, criteria pollutant, and particulate matter (PM), for each truck or truck package and system efficiency or facility improvement. The GHG emission reductions are to be based on life cycle analysis (well to wheel) and calculated in metric tons of CO<sub>2</sub> equivalent reduced per year. Combined weighted criteria pollutant and PM emission reductions are to be based on exhaust emissions (tank to wheel) and calculated in tons reduced per year.
3. Describe and calculate the volume of petroleum transportation fuel(s) displaced annually by the proposed project in terms of diesel gallon equivalents (DGEs).
4. Describe how the proposed project will benefit disadvantaged communities, low-income communities, priority populations, and/or tribal lands using the CCI Priority Population Map<sup>15</sup> to identify disadvantaged communities within the proposed project. Prepare Attachment 7, Disadvantaged Communities Eligibility Determination.
5. Describe how the Applicant will work with a community-based organization to ensure economic and demographic equity and community input.

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<sup>15</sup> Priority Population Map

(<https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>)

6. Describe how the proposed project will result in California jobs creation and retention as a direct result of the proposed project. This should include job creation for the Applicant and project team. Applications must indicate whether the jobs are temporary or permanent and whether the jobs are located inside or outside of California. Include assumptions and background information to support any multiplier effects being claimed.
7. Describe how the proposed project directly increases local and regional economic activity.
8. Complete and include results for the following cost-effectiveness calculations:
  - a) Dollars per metric ton of GHG emissions (in CO<sub>2</sub> equivalent) reduced during the actual proposed project over a 2-year operational timeline for each vehicle and piece of equipment.
  - b) Dollars per metric ton of GHG emissions (in CO<sub>2</sub> equivalent) reduced, two years after the conclusion of the proposed project and based on a 10-year useful life for each vehicle and piece of equipment.
  - c) Dollars per ton of combined criteria pollutant and weighted PM emissions reduced during the actual proposed project over a 2-year operational timeline for each vehicle and piece of equipment.
  - d) Dollars per ton of combined criteria pollutant and weighted PM emissions reduced two year after the conclusion of the proposed project and based on a 10-year useful life for each vehicle and piece of equipment.
  - e) Dollars per metric ton of GHG emissions (in CO<sub>2</sub> equivalent) reduced during the actual proposed project over a 2-year operational timeline that include the project in its entirety.
  - f) Dollars per metric ton of GHG emissions (in CO<sub>2</sub> equivalent) reduced, two year after the conclusion of the proposed project and based on a 10-year useful life that include the project in its entirety.

**e. Vehicle Readiness and Degree of Commercialization**

1. Provide an Executive Order as Attachment 13, issued by CARB at the time of application submissions or explain how

an Executive Order is expected to be issued from CARB on or before June 1, 2022.

2. Demonstrate that trucks deployed will meet or exceed the minimum daily range.
3. Demonstrate the ability of the end-user fleet to operate large numbers of zero-emission trucks.
4. Describe how the funded trucks will stay in commercial operation in California after the term of the proposed project.

#### **4. Scope of Work/Work Plan Template**

Applicants must include a completed detailed Scope of Work/Work Plan utilizing the template contained in Attachment 4. The Scope of Work/Work Plan should detail each specific task that is required to complete the pilot project. Instructions for completing the Scope of Work/Work Plan as well as a sample are included in Attachment 22. The description of activities proposed in the Project Narrative must conform to the Tasks described in the Scope of Work/Work Plan. Electronic files for the Scope of Work/Work Plan must be in MS Word.

Applicants must present a comprehensive and credible Scope of Work/Work Plan, 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.

#### **5. Schedule of Products and Due Dates/Project Milestones**

Applicants must include a completed Schedule of Products and Due Dates detailing Task/Milestone completion (Attachment 5). The Schedule of Products and Due Dates/Milestones should be in a format that shows a logical sequence of tasks with project deliverables easily identifiable. Tasks/Milestones must be linked to specific tasks and deliverables detailed in the Project Scope of Work/Work Plan and illustrated in the Budget. The trucks and infrastructure must be completely deployed and operational by June 15, 2023. All reimbursable work for the **CARB tasks** must be scheduled for completion by no later than **March 31, 2025** and all reimbursable work for **CEC tasks** must be scheduled for completion no later than **March 31, 2026**. This is to allow for timely processing of final invoices before the liquidation date of the funds. All disbursement amounts must be tied to a task; however, it is not necessary for every task to be paired with a disbursement request. Instructions for the Schedule of Products and Due Dates are included in Attachment 5. Electronic files for the Schedule of Products and Due Dates must be in MS Excel format.

## 6. Budget Forms

The proposed budget must include all estimated labor, material, equipment, construction, and installation costs associated with the project.

- a. The Applicant must submit information on **all** budget forms contained in Attachment 6. All budget forms are required because they will be used for the developing grant agreements with the winning Applicant(s). A separate set of complete budget forms, including the full set of worksheets, is required for each subcontract containing \$100,000 or more of CEC and CARB funds.
- b. Detailed instructions for completing these forms are included at the beginning of Attachment 6.
- c. Rates and personnel shown must reflect rates and personnel charged under a grant agreement resulting from this solicitation. The salaries, rates, and other costs entered on these forms become a part of the final grant agreements. The entire term of the grant agreements 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 agreements. The Awardee 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).
- d. The information provided in the Budget forms will **not** be kept confidential.
- e. All reimbursable expenditures must be expended within the approved term of the grant agreements. Expenditures may be counted as match share only after the CEC and CARB notify the Applicant that its project has been proposed for an award through the release of a NOPA and the issuance of a preliminary award letter by CARB; however, expenditures incurred prior to the full execution of a grant agreements are made at the Applicant's own risk.
- f. Applicants must budget for permits, fees, insurance, etc. Expenditures for permitting or insurance are not reimbursable. However, these expenditures can be included as match share expenditure.
- g. The Budget must allow for the preparation and submission of quarterly progress reports and a Final Report that meet state Americans with Disability Act (ADA) web accessibility standards as

specified in Web Content Accessibility Guidelines<sup>16</sup> during the approved term of the grant agreements.

- h. The purchase of equipment (defined as items with a unit cost greater than \$5,000 and a useful life of greater than one year) will require disposition of purchased equipment at the end of the project (see Attachment 17 on terms of disposition). Typically, Awardees may continue to utilize equipment purchased with CEC and CARB funds as long as the use is consistent with the intent of the original grant agreements. ***There are no disposition requirements for equipment purchased with match share funding.***
- i. The Budget must reflect estimates for ***actual*** costs to be incurred during the approved term of the project. The CEC and CARB can only approve and reimburse for actual costs that are properly documented in accordance with the Terms and Conditions (Attachments 17 and 18).
- j. 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 grant agreements. For tasks that are billed on a time and materials basis, subcontractors (all tiers) are allowed to include up to a maximum total of 10 percent 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 percent profit on \$80,000 (\$100,000 minus \$20,000). See terms and conditions for more information on allowable costs.
- k. ***IMPORTANT - Payment of Prevailing Wage:*** Applicants must read and pay particular attention to the CEC's and CARB's Terms and Conditions (Attachments 17 and 18) 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 grant agreements, disruption of projects, and other complications.

## 7. Disadvantaged Communities Eligibility Determination

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<sup>16</sup> [Web Content Accessibility Guidelines 2.1](https://webstandards.ca.gov/accessibility/) (https://webstandards.ca.gov/accessibility/)

Applicants must prepare and include a Disadvantaged Communities Eligibility Determination (Attachment 7). Attachment 7 will not count towards the page limitations of the Project Narrative section.

Project location is an important consideration in scoring an application for funding. Location in a disadvantaged or low-income community is not required to be eligible for funding. However, in accordance with the evaluation criteria, applications will be evaluated, in part, on the degree to which the proposed project benefits disadvantaged or low-income communities. At least 90 percent of the Low Carbon Transportation funds must be spent on projects located in or providing benefit to disadvantaged or low-income communities. Applicants must show whether the pilot project is at a physical address in a disadvantaged or low-income community, and if the project benefits a disadvantaged community or low income community or both.

Disadvantaged or low-income community status is determined using CCI's Priority Population Map. This map shows disadvantaged and low-income communities as defined for CCI and based on the CalEnviroScreen 3.0 screening tool, taking into account eligible low-income communities. CalEnviroScreen is a screening methodology that is used to help identify California communities that are disproportionately burdened by multiple sources of pollution. CCI's [Priority Population Map](#) gives scores to every census tract in the state. Those census tracts in the 75th percentile or higher are identified as disadvantaged communities. Low-income communities are defined as the census tracts that are either at or below 80 percent of the statewide median income. CCI's Priority Population Map can be found at:

<https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

Projects must meet at least **one** of the following criteria focused on reducing air pollution for disadvantaged or low-income community residents:

- a. Project providing incentives for zero-emission Class 8 trucks or equipment with a registration or domicile address or operate more than 50 percent of the time in a census tract or tracts within a disadvantaged or low-income community, demonstrating that the project is in a disadvantaged or low-income community.
- b. Project providing incentives for zero-emission Class 8 trucks or equipment that provide meaningful criteria air pollutant or toxic air contaminant emission reductions in a census tract or tracts that contains a disadvantaged or low-income community, demonstrating

that the project is in and providing benefit to the disadvantaged or low income community.

If a facility is partially located in a disadvantaged or low-income community, then the project located at that facility is, regardless of the exact site location, considered located in a disadvantaged or low-income community.

**8. ZEV Workforce Plan**

All Applicants shall prepare a ZEV Workforce Plan for the project. The ZEV Workforce Plan shall include, but is not limited to, identification and discussion of personnel, classifications or titles, occupations, proposed training and curricula, how training may be conducted, performance and evaluation metrics, training location(s), training methodology, hiring plan, workforce partnerships, and data on compliance with EVITP, including certification data of allowable personnel. This ZEV Workforce Plan is for planning, curricula development, and training of eligible personnel. The ZEV Workforce Plan is limited to personnel in the direct maintenance, operations, and service of the project trucks and funded infrastructure. Personnel, such as construction subcontractors, administrative staff, and executive officers shall not be included in the plan. Applicants can request up to \$100,000 in funding for the ZEV Workforce Plan. The ZEV Workforce Plan (Attachment 8) will not count towards the page limitations of the Project Narrative section.

**9. Procedure for Handling Confidential Information**

The CEC and CARB prefers that you do not include confidential information (e.g., trade secrets) in your proposal; however, if you find it necessary to include such information, clearly label it "Confidential", and submit under a separate cover. The CEC and CARB will protect it as confidential information to the degree allowed by the CEC and CARB regulations on information disclosure in conformance with State law (see Title 17, California Code of Regulations, section 91000, et seq.). The CEC and CARB will not disclose data identified by an Applicant as confidential, except as required by law; however, because of the legal requirements for disclosure of some kinds of information, Applicants are advised that The CEC and CARB cannot provide an absolute guarantee that all material designated as confidential will not be disclosed to the public. Also, the State cannot accept legal liability for such disclosure. If such restrictions are not acceptable to you, DO NOT INCLUDE CONFIDENTIAL MATERIAL IN YOUR PROPOSAL. Please refer to Attachment 9 for Confidentiality Provision and signature.

**10. Résumés/Applicant and Project Team Qualifications**

Applicants must include résumés for key personnel identified in the project narrative. Résumés are limited to a maximum of 2 pages each and do not count towards the page limitations.

- a. **Staff Information:** Attach résumés for each staff member to be involved in developing, implementing, or administering the Zero-Emission Drayage Truck and Infrastructure Pilot Project. Clearly identify staff proposed for day-to-day project implementation. Each résumé should have the following information:
  - Name
  - Title
  - Phone number
  - Email
  - Hourly pay rate
  - Experience
  - Expected duties during the project
  
- b. **Project Team Information:** Applicants may partner with other entities. Responsibility for deliverables lies with the Applicant, and the grant will be awarded only to the Applicant. Provide the names and information for all subcontractors and partners. Do not include personal information such as home address or non-business phone numbers or email addresses. Each résumé should have the following information:
  - Name
  - Title
  - Business phone number and email address
  - Email
  - Hourly pay rate
  - Experience
  - Expected duties during the project

## **11. Contact List**

Applicants must include a completed Contact List (Attachment 11) by including the appropriate points of contact for the Applicant. The CEC and CARB will complete the CEC and CARB points of contact during the development of the grant agreements.

## **12. Letters of Support/Commitment**

Applicants must include appropriate letters of support or letters of commitment. Letters must include sufficient contact information so that the CEC and CARB are able to efficiently contact the letter writer, as

necessary. Letters must be limited to 2 pages each, which do not count toward the page limitations.

- a. **Site Owner/Operator (Mandatory):** Applications shall include a current letter of commitment from the owner/operator of the site(s) at where the trucks and infrastructure will be located. The letter shall be signed and dated by the site owner or representative who is duly authorized to commit the site to building heavy-duty electric vehicle chargers and/or a hydrogen fueling station at their site in collaboration with the project developer. The letter shall also contain a telephone number and email address to allow the CEC and CARB to contact the site owner or representative to confirm the commitment and authority to commit to the proposed project.
- b. **Key Project Partners (Mandatory):** Key project partners identified in the application must provide letters demonstrating their commitment to the proposed project and their ability to fulfill their identified roles. This includes a letter of support from at least one CBO.
- c. **Match Share Contributors (Mandatory, either project partner or Applicant):** All 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 match share contributors must contain a telephone number to allow the CEC and CARB to contact the match share partner or representative to confirm their authority to commit matching funds to the proposed project. Match share contributions being made by public entities can include proposed funding contribution amounts in their letter of commitment with the understanding that grant agreements for selected projects scored based on a proposed match amount cannot be executed without a formal board resolution authorizing the match amount.
- d. **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. Letters of support can be provided by, but are not limited to, air districts, federal, state, or local governmental agencies, workforce entities, CBOs, local safety officials, potential users of the proposed project, and any other relevant organizations.

### 13. **CARB Executive Order**

If an Executive Order is available at the time of application for trucks to be funded under this project, provide an Executive Order issued by CARB at the time of application submission. If there is no Executive Order available

at the time of application, explain how an Executive Order is expected to be issued from CARB on or before June 1, 2022. CARB will not reimburse Awardee for trucks until an Executive Order is available for the truck.

**14. California Environmental Quality Act**

Each proposed project may be subject to California Environmental Quality Act (CEQA) compliance, as well as permitting and other requirements (Ca. Public Resources Code Section §§ 21000 et seq.). All applications must adhere to the requirements specified in this section.

CEQA requires public agencies to identify the significant environmental impacts of their discretionary actions and to avoid or mitigate them, if feasible. Under CEQA, an activity that may cause either a direct or reasonably foreseeable indirect physical change in the environment is generally considered a project. Any project funded under this program may be considered a project under CEQA if it will cause a direct or reasonably foreseeable indirect physical change in the environment. Agencies must comply with CEQA before they discretionally approve a project. For projects that are exempt from CEQA, agencies may prepare and file a Notice of Exemption.

Applicants must complete the detailed CEQA Worksheet (Attachment 14) and submit it with their application. This worksheet will help Applicants and the CEC and CARB determine CEQA compliance obligations by identifying which projects may require more extensive CEQA review. Failure to complete the worksheet may lead to disqualification of the proposal. In the worksheet, the Applicant shall provide a detailed description of the project and all of its components, as well as any direct physical changes and reasonably foreseeable indirect changes to the surrounding environment.

The Applicant must provide in Attachment 14 the following information as it pertains to the proposed project prior to receiving any funds:

- a. Proposed Location: The Applicant must provide the specific address or equivalent location information for the proposed project.
- b. Permits: The Applicant must identify the permits necessary for the project in the proposal narrative. If no permits are necessary, then the Applicant must state that in Attachment 14.
- c. Project Impacts: The Applicant must describe the direct physical changes and reasonably foreseeable indirect changes to the surrounding environment that may result from the project, if any. Please see CEQA Worksheet (Attachment 14).

- d. Identify CEQA Lead Agency: The lead agency is the public agency that has the greatest responsibility for carrying out or approving a project and for preparing environmental review documents under CEQA. The lead agency is the public agency that has the greatest responsibility for approving the project as a whole. When issuing grants, CEC or CARB is typically a Responsible Agency under CEQA, which means that they must make CEQA findings based on review of the lead agency's environmental documents approving the physical project subject to funding. While rare, if CEC or CARB is the only public agency with discretionary approval authority over the project, then CEC or CARB may act as the lead agency and prepare its own environmental documents (based on analysis provided by the Applicant). The lead agency will be identified using the following process:
  - i. Where the proposed project would require a discretionary approval from another permitting agency, the Applicant must identify the CEQA lead agency in the application and include documentation demonstrating that contact has been made with the lead agency with jurisdiction over the project for purposes of complying with CEQA. The documentation may be in the form of a letter from the lead agency that is stamped as received by the local agency.
  - ii. If CEC or CARB are the only agencies with discretionary approval over the proposed project, then CEC or CARB will act as the lead agency and will work with the applicant to satisfy CEQA requirements.

Regardless of which agency is the lead agency for a proposed project, the Applicant shall be responsible for all costs associated with preparation of environmental review documents. The Applicant may also be required to retain a consultant to perform environmental studies as appropriate. The Applicant shall also be responsible for all costs associated with defending any third-party legal challenge against the grant agreement or the environmental review documents prepared in support of entering into the grant agreement, which shall be a provision included in the grant agreement with CARB.

Projects recommended for funding must complete the CEQA process by **April 1, 2021**. The CEC and CARB reserve the right to cancel proposed awards that do not meet this CEQA compliance deadline and recommend funding for the next, highest-scoring passing proposal submitted under this solicitation.

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.

Prior to approval of a proposed award, the CEC and CARB must comply with CEQA. To comply with CEQA, the CEC and CARB must have CEQA-related information from Applicants and sometimes other entities, such as local governments, in a timely manner. Unfortunately, even with this information, the CEC and CARB may not be able to complete its CEQA review prior to the encumbrance deadline for every project. For example, if 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 applications in a manner that minimizes the time required for the CEC and CARB to comply with CEQA and provide all CEQA-related information to the CEC and CARB in a timely manner such that the CEC and CARB are able to complete their review in time to meet encumbrance deadlines.

**15. Local Health Impacts Information Form**

Applicants must complete and submit a Local Health Impacts Information Form (Attachment 15). The CEC requires this information to assist in developing and publishing a localized health impact report.

**16. Conflict of Interest Declaration**

All Applicants must disclose any Conflict of Interest with their ability to fulfill the duties of the Zero-Emission Drayage Truck and Infrastructure Pilot Project Awardee. Summarize your organization's or any subcontractor's (as identified in Attachment 2, Project Executive Summary, of this application) current, ongoing, or pending direct or indirect interest, which poses an actual, apparent, or potential conflict of interest with the Awardee's ability to fulfill the duties of the grant agreements. These may include but are not limited to financial arrangements with or interest in zero-emission technology providers, vehicle manufacturers, or related organizations. The CEC and CARB may consider the nature and extent of any potential or apparent conflict of interest in evaluating, considering, or scoring the application and may disqualify the Applicant at the CEC and CARB's sole discretion.

## IV. Evaluation Process and Criteria

### A. APPLICATION EVALUATION

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

To evaluate all applications, the CEC and CARB will organize an Evaluation Committee. The Evaluation Committee will consist of CEC and CARB staff and may include staff of other California state entities.

#### 1. Screening Criteria

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

#### 2. Administrative Screening Criteria

<b>ADMINISTRATIVE SCREENING CRITERIA</b> <i>The Application must pass ALL administrative screening criteria.</i>	<b>Pass/Fail</b>
1. The 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.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
2. The Applicant provides the required authorizations and certifications as specified in Section II.A.4 and Section III.D.1.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
3. The Applicant has not included a statement that is contrary to the required authorizations and certifications as specified in Section II.A.4 and Section III.D.1.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

#### 3. Technical Screening Criteria

- a. The Applicant is an eligible Applicant.
- b. The project is an eligible project.
- c. The project meets the minimum match share requirements.
- d. The Applicant or subcontractors do not have a conflict of interest preventing the ability of the Applicant to fulfill the duties of the proposed project.

#### **4. Grounds to Reject an Application**

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

- a. The application contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Applicant.
- b. 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.
- c. 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.

#### **5. Technical Evaluation**

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

The Evaluation Committee reserves the right to request clarifying questions of the Applicant during the scoring process. Questions will be submitted in writing to the Applicant and responses will be provided by a date and time indicated in the initial request for clarifying information. Responses to clarifying questions will not be used as a basis for scoring but will be considered part of the application for purposes of grant development and project implementation. Applicants will not be reimbursed for time spent answering clarifying questions.

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

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

#### **B. NOTICE OF PROPOSED AWARDS AND PRELIMINARY AWARD LETTERS**

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 and CARB will publish the NOPA on the CEC's and CARB's website. The CEC and CARB will also issue Preliminary Award letters to those project Applicants that are selected

for funding. The preliminary selection of a project does not in any way commit the CEC or CARB to approve the proposed award.

**C. DEBRIEFINGS**

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.

**D. SCORING SCALE**

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

<b>Percent of Possible Points</b>	<b>Interpretation</b>	<b>Explanation for Percentage Points</b>
0 percent	Not Responsive	Response does not include or fails to address the requirements being scored. The omissions, flaws, or defects are significant and unacceptable.
10-30 percent	Minimally Responsive	Response minimally addresses the requirements being scored. The omissions, flaws, or defects are significant and unacceptable.
40-60 percent	Inadequate	Response addresses the requirements being scored, but there are 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 percent	Adequate	Response adequately addresses the requirements being scored. Any omissions, flaws, or defects are inconsequential and acceptable.
75 percent	Between Adequate and Good	Response better than adequately addresses the requirements being scored. Any omissions, flaws, or defects are inconsequential and acceptable.
80 percent	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. There are no identified omissions, flaws, or defects. Any identified weaknesses are minimal, inconsequential, and acceptable.
85 percent	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. There are no identified omissions, flaws, or defects. Any identified weaknesses are minimal, inconsequential, and acceptable.
90 percent	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 percent	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 percent	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.

## E. EVALUATION CRITERIA

Criterion	Possible Points
<p><b>1. Applicant and Project Team Experience and Qualifications</b></p> <p>Applications will be evaluated on the degree to which:</p> <ul style="list-style-type: none"> <li>• The Applicant and project team qualifications (including relevant expertise, experience, and skill sets) are suitable to the tasks described in the proposed Scope of Work.</li> <li>• The Applicant and project team demonstrate the ability to establish and adhere to realistic and aggressive timelines.</li> <li>• The Applicant and project team have verifiable related experience.</li> <li>• The Applicant demonstrates the ability of the truck manufacturer to successfully build, deliver, and put into service the proposed zero-emission trucks in a timely manner for the proposed project.</li> <li>• The Applicant has performed satisfactorily under other CEC or CARB funded agreements and has fulfilled/is fulfilling agreement requirements.</li> </ul>	15
<p><b>2. Project Implementation</b></p> <p>Applications will be evaluated on the degree to which:</p>	25

<ul style="list-style-type: none"> <li>• The vehicles and equipment to be deployed is appropriate for the proposed project and leads to the successful deployment of zero-emission drayage and regional haul trucks.</li> <li>• The project timeline is expedited and the timeline for vehicle deployment aligns closely with infrastructure installation.</li> <li>• The Applicant demonstrates how the proposed project will successfully lead to future vehicle acquisition from the end-users of zero-emission heavy-duty vehicles beyond project closeout.</li> <li>• The Applicant demonstrates how the proposed project will successfully lead to understanding fleet dynamics for a large fleet of zero-emission trucks and supporting infrastructure at one site.</li> <li>• The Applicant explains how the project team will meet the requirements for legal operations on California roadways, usage on port properties, rail yards, and other sites where funded trucks and equipment will be operated.</li> <li>• The Applicant explains how the project team will accomplish required government certification and verification protocols, such as CARB’s Executive Order, infrastructure construction permits, and licenses to operate.</li> <li>• The Applicant explains how they will work with its electrical utility provider for fleet upgrade planning, to ensure that the infrastructure will have enough electricity to charge or fuel the trucks.</li> <li>• The approaches, strategies, and partnerships are appropriate to effectuate the development and implementation of the ZEV Workforce Plan.</li> <li>• The tasks in the Scope of Work and the dates in the project schedule are complete, sequential, and will lead to successful completion of the project.</li> <li>• The Applicant has secured site control for the proposed project.</li> <li>• The Applicant has progressed in achieving compliance under CEQA or has a reasonable, realistic, and expedited plan to obtain CEQA compliance by April 1, 2021.</li> <li>• The Applicant has mobile fleet service support that can be deployed to address issues in the field if they arise.</li> </ul>	
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<ul style="list-style-type: none"> <li>The proposed vehicles and equipment are expected to continue to operate beyond the term of the CEC and CARB’s grant agreements.</li> </ul>	
<p><b>3. Project Budget</b></p> <p>Applications will be evaluated on the degree to which:</p> <ul style="list-style-type: none"> <li>The proposed budget implements cost-saving strategies that reduce total project costs of the proposed project.</li> <li>Administrative and overhead expenditures are minimized.</li> <li>The Applicant demonstrates the need for state funds for successful completion of the proposed project.</li> <li>The budget forms are filled out completely and accurately.</li> <li>Match share funds are documented, committed to by a formal letter from the entity providing the match, and readily available for the proposed project.</li> </ul>	15
<p><b>4. Environmental and Economic Benefits</b></p> <p>Applications will be evaluated on the degree to which:</p> <ul style="list-style-type: none"> <li>The proposed project is located in disadvantaged or low income communities.</li> <li>The proposed project directly increases local and regional economic activities.</li> <li>The proposed project directly results in California jobs creation or retention.</li> <li>The proposed project reduces annual lifecycle GHG emissions (expressed in metric tons CO<sub>2</sub>), criteria pollutants, particulate matter (PM), and toxic air contaminant emissions for each vehicle, piece of equipment, system efficiency or facility improved in total.</li> <li>The proposed project displaces petroleum transportation fuel(s) in terms of diesel gallon equivalents (DGEs).</li> <li>The Applicant engages a community-based organization to ensure economic and demographic equity and community input.</li> <li>The proposed project’s expenditures are cost-effective and maximize benefits for each dollar spent from reimbursable funds.</li> </ul>	25
<p><b>5. Vehicle Readiness and Degree of Commercialization</b></p> <p>Applications will be evaluated on the degree to which:</p>	20

<ul style="list-style-type: none"> <li>• The Applicant has a reasonable, realistic, and expedited plan to obtain an Executive Order from CARB by June 1, 2022.</li> <li>• The proposed project has a reproducible emission test for internal combustion engines to verify the emission benefits from the use of the proposed vehicle technologies. The proposed project deploys trucks that exceed the minimum daily range.</li> <li>• The proposed project maximizes the number of zero-emission trucks deployed.</li> <li>• The proposed project maximizes the number of zero-emission trucks deployed within a single fleet.</li> <li>• The trucks are expected to stay in commercial operation in California after the term of the proposed project.</li> </ul>	
<b>Total Possible Points</b>	100
<b>Minimum Passing Score (70%)</b>	70

**F. TIE BREAKERS**

If the score for two or more applications are tied, the application with a higher score in the following criterion in the given order will be ranked higher.

1. Proposal with highest "Environmental and Economic Benefits" score.
2. Proposal with highest "Project Implementation" score.
3. Proposal with the highest "Applicant and Project Team Experience and Qualifications" score.
4. Proposal with the highest "Project Budget" score.
5. If still tied, an objective tiebreaker (such as a random drawing or coin toss) will be utilized.

## V. Administration

### A. DEFINITION OF KEY WORDS

Important definitions for this solicitation are presented below:

Word/Term	Definition
Applicant	Respondent to this solicitation
Application	Formal written response to this document from Applicant
AQIP	Air Quality Improvement Plan
Awardee	An Applicant that was awarded a grant
BEV	Battery Electric Vehicle
Board	California Air Resources Board
CalEPA	California Environmental Protection Agency
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CARB	California Air Resources Board
CBO	Community-Based Organization
CCI	California Climate Investments
CEC	California Energy Commission
CEQA	California Environmental Quality Act
Clean Transportation Program	Formerly known as the Alternative and Renewable Fuel and Vehicle Technology Program
DER	Distributed Energy Resources
EO	CARB Executive Order
EVITP	Electric Vehicle Infrastructure Training Program
EVSE	Electric Vehicle Supply Equipment
EVSP	Electric Vehicle Service Provider
GAAP	Generally Accepted Accounting Principles
GFO	Grant Funding Opportunity refers to this entire solicitation document and all its attachments, appendices and exhibits
GGRF	Greenhouse Gas Reduction Fund
HSP	Hydrogen Safety Panel
HVIP	Clean Truck and Bus Voucher project
MD/HD	Medium-duty and heavy-duty
NOPA	Notice of Proposed Award
NREL	National Renewable Energy Laboratory
Project Team	Consisting of the Applicant and identified end users of the proposed vehicles or equipment, technology manufacturer(s), data collection and analysis provider(s), eligible community-based organization(s) (CBOs), infrastructure provider(s), and subcontractor(s)
Site Control	The Applicant has control of the property through one or more of the following:

	<ul style="list-style-type: none"> <li>• Owns the site</li> <li>• Is the lessee of the site</li> <li>• Is the holder of an easement, right-of-way grant, or similar instrument with respect to the site</li> </ul>
Solicitation	Grant Funding Opportunity, which refers to this entire solicitation document and all its attachments, appendices and exhibits
State	State of California
VGI	Vehicle-grid integration
ZEV	Zero-emission vehicle

**B. COST OF DEVELOPING APPLICATION**

The Applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State. In addition, the CEC and CARB are not liable for any costs incurred during environmental review or as a result of withdrawing a proposed award or canceling the solicitation.

**C. GOVERNING BOARD RESOLUTION**

If applicable, the Applicant will be required to submit a resolution of its governing board prior to execution of the grant agreements that commits the agency/organization to:

- Comply with the requirements of this Solicitation.
- Accept the grant funds from the CEC and CARB.
- Allocate any funding that the Awardee has committed to be part of a project application.

It is recommended that the resolution allow for grant amendments without governing board approval, if possible. If the public agency or non-profit organization does not have a governing board, then a binding written commitment from an official of the agency that has authority to enter into contractual obligations will be required to fulfill the above commitments.

If the public agency or non-profit organization that is submitting the application contributes a match to the project, the governing board resolution shall authorize the agency’s or organization’s legally authorized official to supply sufficient funding to meet the stated match commitment. Letters of commitment from public agencies can have a proposed amount of match funding and will be considered as a committed match amount, but the governing board resolution is needed to validate this committed match before the grant agreements can be executed. Signed grant agreements and approved governing board resolutions need to be in place on or before the execution of grant agreements.

## **D. SOLICITATION CANCELLATION AND AMENDMENTS**

It is CEC's and CARB's policy to not solicit applications unless there is a bona fide intention to award grant agreements. However, if it is in the State's best interest, the CEC and CARB reserve 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 and CARB will send an addendum notification to all parties who have signed up for the CEC's List Serve and CARB's GovDelivery and will post the addendum on the [CEC website](http://www.energy.ca.gov/contracts) at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) and [CARB's website](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low) at <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low>.

## **E. ERRORS**

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation, the Applicant shall immediately notify the CEC or CARB of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given in a written addendum to the solicitation without divulging the source of the request for clarification. The CEC and CARB shall not be responsible for failure to correct errors.

## **F. MODIFYING OR WITHDRAWAL OF APPLICATION**

An Applicant may, by letter or E-mail to the CAO 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."

## **G. IMMATERIAL DEFECT**

The CEC and CARB may waive any immaterial defect or deviation contained in an Applicant's application. The CEC and CARB's waiver shall in no way modify the application or excuse the successful Applicant from full compliance.

## **H. 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 may become 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.

**I. APPLICANTS' ADMONISHMENT**

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.

**J. GRANT AGREEMENT REQUIREMENTS**

For each funded project resulting from this solicitation, two grant agreements will be required: one with the CEC and one with CARB. The content of this solicitation and each grant Awardee's application shall be incorporated by reference into each agency's final grant agreements. See both the CEC and CARB grant agreement terms and conditions included in this solicitation (Attachments 17 and 18).

The CEC and CARB reserve the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If the CEC and CARB are unable to successfully negotiate and execute grant agreements with an Applicant, the CEC and CARB, at their sole discretion, reserve the right to cancel the pending award and fund the next highest ranked eligible project.

The CEC and CARB must formally approve all proposed grant awards. Clean Transportation Program grant agreements for over \$75,000 must be scheduled and considered at a CEC Business Meeting for approval by the CEC.

The CEC and CARB will send the approved grant agreements, including the general terms and conditions and any additional terms and conditions, to the Awardee for review, approval, and signature. Once the Awardee signs, the CEC and CARB will fully execute the grant agreements. **Awardees cannot incur reimbursable expenditures until both the CEC and CARB agreements are fully executed.**

Sub-agreements between the technology manufacturer(s) and the Awardee should be in place before non-administrative work can begin.

**K. NO GRANT AGREEMENT UNTIL SIGNED AND APPROVED**

No CEC grant agreement between the CEC and the successful Applicant is in effect until the CEC grant agreement is approved at a CEC Business Meeting, signed by the Awardee, and signed by the authorized CEC representative(s).

No CARB grant agreement between CARB and the successful Applicant is in

effect until the CARB grant agreement is signed by the Awardee and signed by the authorized CARB representative(s).

The CEC and CARB reserve the right to modify the award documents prior to executing the grant agreements.

**L. No MODIFICATIONS TO THE GENERAL PROVISIONS**

If an Applicant at any time, including after the NOPA, attempts to negotiate, or otherwise seeks modification of, the general terms and conditions, the CEC and CARB may reject an application or withdraw a proposed award. This does not alter or limit the CEC's or CARB's ability to withdraw a proposed award for other reasons, including failure of a third party agency to complete CEQA review, or for no cause.