

Texas Commission on Environmental Quality (TCEQ)

Request for Grant Applications

**Grants for Alternative Fueling Facilities Program (AFFP)
to Improve Texas Air Quality
- Grants Will Be Contingent Upon
Receipt of Sufficient Revenue -**

Solicitation No. 582-12-20715

***Grant Workshop:
The schedule for the AFFP Grant Workshop will be posted on
the TERP website at:
www.terpgrants.org***

*Applications Due
July 31, 2012
5:00 PM CT*

*Return Applications to:
Texas Commission on Environmental Quality
Air Quality Division
Implementation Grants Section, (AFFP), MC-204
P.O. Box 13087
Austin, TX 78711-3087
1-800-919-TERP (8377)*

Applications will be accepted for consideration during this grant period only if received at the front desk, Room 2202, 2nd floor of Building F on the premises of the TCEQ (12100 Park 35 Circle, Austin, TX, 78753), by no later than 5:00 p.m. Central Time, July 31, 2012. Applications received in the TCEQ mail room on this date are not guaranteed to be delivered to Room 2202 by the required deadline, so applicants are encouraged to plan their submissions accordingly.

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Texas Commission on Environmental Quality (TCEQ) Request for Grant Applications (RFGA)

Grants for Alternative Fueling Facilities Program (AFFP) Projects to Improve Texas Air Quality

1.0 INVITATION

The Texas Commission on Environmental Quality (TCEQ) invites applications for projects to provide fueling facilities for alternative fuel in the nonattainment areas of Texas. Nonattainment areas are designated by the United States Environmental Protection Agency (EPA) for not meeting federal Clean Air Act requirements for levels of certain pollutants.

For the purposes of this Request for Grant Applications (RFGA), the TCEQ is soliciting applications for projects to offset a portion of the cost of:

- *construction of new* facilities dispensing alternative fuel to vehicles and equipment in non-attainment areas in Texas; or
- *substantial reconstruction of existing* facilities dispensing alternative fuel to vehicles and equipment to provide new services or capabilities.

Eligible alternative fuels will include:

- biodiesel (as defined by Texas Administrative Code (TAC), Title 34, Part 1, Chapter 3, Subchapter S §3.443 (b)(3)),
- hydrogen,
- methanol (a mixture of fuels containing at least 85% methanol by volume),
- natural gas,
- propane, and
- electricity.

1.1 PURPOSE

The purpose of the grant program is to implement the Alternative Fueling Facilities Program (AFFP) created under Texas Health and Safety Code (THSC), Chapter 393, as established by Senate Bill 385, 82nd Texas Legislature, 2011, Regular Session.

1.2 AFFP GOALS AND OBJECTIVES

The goal of the AFFP Program is to increase the availability of infrastructure to provide alternative fuel to vehicle and equipment fleets in order to increase the number of alternative fuel vehicles and equipment operating in Texas.

The overall objectives of the TCEQ in implementing this and other programs funded under the Texas Emissions Reduction Plan (TERP) Fund include achieving reductions in nitrogen oxides (NO_x) emissions and other pollutants of concern to ensure that areas come into compliance or remain in compliance with the National Ambient Air Quality Standards under the federal Clean Air Act.

To accomplish these goals and objectives, the TCEQ is encouraging development of projects that will provide new fueling facilities or services for alternative fuel in nonattainment areas of Texas.

Under this RFGA, the TCEQ will not direct where facilities should be located or establish a predefined requirement on how many stations should be located in a particular area. However, the TCEQ executive director may limit the number of grants for facilities in a particular area, or by type of facility or fuel, to best meet the goals of maximizing the availability of fueling facilities for alternative fuel.

1.3 PROGRAM FORMS

This RFGA, a grant application form, and a sample contract may be viewed and downloaded from the TCEQ web site at www.terpgrants.org. The materials may also be obtained by calling the TERP hotline at 512-239-4950 or 1-800-919-TERP (8377).

To be eligible for funding consideration, grant applications must be prepared and submitted in accordance with this notice and the instructions included with the application form.

1.4 ELIGIBLE APPLICANTS AND AREAS

Eligible applicants

Applicants must meet all State of Texas requirements and be eligible to conduct business in Texas. Eligible applicants include individuals, corporations, organizations, governments or governmental subdivisions or agencies, business trusts, partnerships, associations, or other legal entities.

The applicant must be the entity that will construct or reconstruct and own the alternative fueling facility for the life of the grant. Entities leasing alternative fueling facilities or entities acting as a third party to construct alternative fueling facilities and then transfer ownership to another entity are *not eligible*.

An entity that constructs an alternative fueling facility and leases it to another entity may establish eligibility provided that the grantee maintains ownership of the grant-funded facility for the life of the grant. Applicants are not required to be the owner of the property provided

that the applicant can demonstrate a binding commitment from the property owner regarding the location and operation of the fueling equipment at the site for the life of the grant.

Businesses or other entities in which a TCEQ employee, spouse, or family member of a TCEQ employee has a direct or indirect interest, financial or otherwise, may be prohibited from receiving a grant, depending upon the nature of the interest. Any questions regarding the eligibility of an entity to apply for a grant should be referred to the TERP staff early in the application process.

Eligible locations

To be eligible for funding a project must construct a new alternative fueling facility or substantially reconstruct an existing facility in one of the following nonattainment areas in Texas:

- ***Dallas-Fort Worth (DFW) 8-Hour Ozone Nonattainment Area*** including Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, and Tarrant Counties;
- ***Houston-Galveston-Brazoria (HGB) 8-Hour Ozone Nonattainment Area*** including Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties; or
- ***El Paso Particulate Matter with 10 Micrometers of Smaller (PM₁₀) Nonattainment Area*** including El Paso County.

A map of AFFP eligible counties can be found in [Attachment A](#). Recent proposals by the EPA would add counties to the DFW and HGB Areas. Other changes may also be made to the nonattainment area designations. If changes to the nonattainment area designations are finalized during the period of this solicitation, the TCEQ may, at its discretion, add counties to the list of eligible counties through an addendum to this RFGA. However, any additions to the list of eligible counties will not be effective until authorized by the TCEQ through an update to this RFGA.

Eligible facilities

Fueling facilities funded by AFFP grants *must* be newly constructed facilities or, at a minimum, provide new services through substantial reconstruction of an existing facility, including any acquisition and installation of additional fueling equipment at an existing facility. Applicants must make it clear in their application what aspect of the proposed facility and services provided at the facility will be new. The TCEQ will consider on a case by case basis upgrades to existing facilities in order to provide a previously unavailable service (e.g., service for a new alternative fuel or fast fill fueling capacity enabling a previously private station to be publicly accessible) provided that the new service can be shown to be consistent with the goals of the program. The TCEQ will review all application materials to determine whether the proposed station meets these requirements.

1.5 ELIGIBLE PROJECT CATEGORIES

Each application may be submitted for only one eligible category. Eligible project categories are:

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- *construction of new facilities* dispensing alternative fuels to vehicles and equipment in non-attainment areas in Texas or
- *substantial reconstruction of existing facilities* dispensing alternative fuels to vehicles and equipment to provide new services or capabilities.

Eligible alternative fuels will include:

- biodiesel (as defined by TAC Title 34, Part 1, Chapter 3, Subchapter S §3.443 (b)(3)),
- hydrogen,
- methanol (a mixture of fuels containing at least 85% methanol by volume),
- natural gas,
- propane, and
- electricity.

1.6 ELIGIBLE ACTIVITIES AND COSTS

Grants amounts may not exceed 50% of the total of the actual eligible costs of construction or reconstruction of an alternative fueling facility, including the acquisition and installation of additional fueling equipment, up to \$500,000 maximum.

An activity is not eligible if it is required by state or federal law, rule, regulation; memorandum of agreement; or, unless approved by TCEQ, other binding document. The TCEQ will also not pay for any projects required as Supplemental Environmental Projects (SEP).

Eligible activities are those that are directly related to the implementation of the project. AFFP grants are to be used to offset a portion of the cost of construction or reconstruction of alternative fueling facilities, including the acquisition and installation of additional fueling equipment. Eligible grant funded costs include:

- Equipment used for the purpose of storing, compressing, or dispensing alternative fuels, including electrical equipment necessary for charging electric vehicles and equipment;
- reasonable and necessary costs for the installation of the equipment, including Contractual costs;
- Supplies and non-capital items necessary for the installation of the equipment;
- Construction costs for facility improvements, such as paving, foundations, covers and buildings, and similar improvements directly necessary to store, compress, or dispense alternative fuels at the facility; and

- Contractual and Other costs including design, engineering, and permitting costs (excluding cost of permits issued by the TCEQ) for the construction of the alternative fueling facility.

Ineligible costs for AFFP grants include but are not limited to:

- Salaries and Travel expenses for employees of the grantee;
- facility improvements and equipment not directly associated with the storing, compressing, or dispensing of alternative fuels;
- acquisition of an existing fueling facility, land, or an interest in land;
- permitting costs for TCEQ-issued permits; and
- other administrative costs of the grantee, including overhead and indirect costs (e.g., office supplies, rent, marketing, and advertising).

All costs should be specifically detailed in the application package.

Any cost incurred (i.e., received and paid) prior to the date of issuance of this RFGA will not be considered as eligible for funding, including the cost of preparation of the project application.

The TCEQ provides no assurances that a project will be awarded a grant, and the TCEQ has no liability for expenses incurred by an applicant prior to the execution of a grant contract unless and until those activities and expenses are selected for a grant and included under a signed grant contract.

TCEQ funds cannot be expended for food or lobbying purposes. As a result, no grant funds may be used to reimburse the salary of any lobbyist registered in the State of Texas. All grant funds must be expended in a manner consistent with all applicable cost principles from 30 TAC 14.10 and the Uniform Grant Management Standards (UGMS) promulgated by the Governor's Office under 1 TAC Chapter 5. The TCEQ particularly encourages applicants to review the UGMS when developing application budgets.

If the applicant plans to subcontract any work, applicants are encouraged to identify activities that could be performed by Historically Underutilized Businesses (HUB). The TCEQ's HUB Development Section can assist applicants in identifying potential HUB subcontractors and can be contacted at 512-239-1273.

Applicants may apply for multiple AFFP grants but no more than one grant may be awarded for each facility. In addition, grant funding may not be combined under this program and other Texas Emissions Reduction Plan (TERP) grant programs administered by the TCEQ to fund the same project or facility. Other TERP grant programs covered by the restriction include the Clean Transportation Triangle Program established under THSC, Chapter 394, and the Emissions Reduction Incentive Grants Program and Third-Party Grants Program established under THSC, Chapter 386.

1.7 FACILITY OPERATION REQUIREMENTS

The primary purpose of this program is to support the development of a variety of alternative fueling facilities in the areas of Texas designated as nonattainment including Dallas-Fort Worth, Houston-Galveston-Brazoria, and El Paso. AFFP grant recipients must meet the operational, maintenance, and reporting requirements specified by the TCEQ.

Under THSC, §393.004, the entity receiving a grant under the AFFP must agree to make the facility available to persons not associated with the entity at times designated by the grant agreement with the TCEQ. In accordance with these requirements, facilities funded under the AFFP grants must be publicly accessible and available for public use for a minimum of at least eight hours per day between the hours of 6:00a.m. and 8:00p.m, Monday through Friday. AFFP grantees will be required to provide to the TCEQ written information on the days and hours that the grant funded facility is available for public access and to update the agency on a regular basis regarding any changes to those hours of operation.

In order to ensure accessibility, the public portions of eligible facilities must provide a fast-fill or fast-charge capability with a fuel flow or electric charging rate equivalent to the rate for fueling with gasoline or diesel fuel. Applications should provide information on the fuel flow characteristics and the expected average refueling or charge time for the public portion of the facility.

AFFP applicants must provide a comprehensive operations plan to maximize the likelihood that the grant funded station will remain in operation in accordance with contract requirements. The operation plan should reflect the applicant's commitment to:

- own and ensure operation of the grant-funded facility and equipment in accordance with the terms of the grant contract for a period of at least three years;
- make the facility available to the public for at least eight hours per day between the hours of 6:00a.m. and 8:00p.m, Monday through Friday;
- provide a fast-fill or fast-charge capability for the public use portion of the facility;
- maintain grant-funded equipment in good operating condition for the operational commitment of three years;
- maintain a sufficient level of insurance to repair or replace the fueling facility and equipment as a result of damage or destruction from an insurable event; and
- submit annual reports to TCEQ verifying continued operation and compliance with operational and maintenance requirements, including monitoring and reporting on the amount of alternative fuel dispensed over the reporting period.

An AFFP grantee must proceed in good faith with all steps outlined in its Approved Application, and take all other actions necessary to ensure successful completion of its project and subsequent operation of the grant-funded facility.

In order to monitor the grantee's progress with its Scope of Work during the grant contract, the TCEQ will use quarterly implementation and annual operation progress reports to monitor a project's progress and may audit a grantee's progress at any time during the grant. Submission of these reports is material to the successful performance of the grant activities, and failure to report may result in a request for a pro-rata return of grant funds.

If the TCEQ determines that a grantee is not making sufficient progress towards the goals of facility construction and operation, the TCEQ may require a revised implementation and/or operations plan to demonstrate how facility construction will be completed and operation for a minimum three year period will be achieved given the current circumstances of the project.

If, after reviewing the revised implementation and/or operations plan, the TCEQ determines in its reasonable judgment that project completion or continued operation is no longer likely, or the grantee so advises the TCEQ, then the TCEQ may invoke the grant contract remedies, which include termination of the grant contract and requiring the return of grant funds.

1.8 MARKETABLE EMISSIONS REDUCTION CREDITS

A project that would otherwise generate marketable credits under state or federal emissions reduction credit averaging, banking, or trading programs is not eligible for funding under this program unless:

- the project includes the transfer of the reductions that would otherwise be marketable credits to the state implementation plan, or to the project owner or operator as provided by Section 386.056, Texas Health and Safety Code; and
- the reductions are permanently retired.

1.9 PROOF OF INSURANCE

The applicant will be required to supply proof that it is insured for project completion, replacement, and liability. Project completion/replacement insurance shall be sufficient to cover lost equipment and time/effort in case of a disaster. The sample contract shell contains examples of the types and amounts of insurance generally required for a project funded under the AFFP program. These examples are given for illustrative purposes only and are not intended to list the final, comprehensive insurance requirements, which are subject to negotiation depending on the risk concerns of a specific project.

1.10 GRANT ADMINISTRATION AND REIMBURSEMENT OF EXPENSES

- a. Entities selected to receive grant funding will be required to sign a contract with the TCEQ. All services or work carried out under a contract awarded as a result of this RFGA must be completed within the scope, time frame, and funding limitations specified in this contract. A copy of the sample contract shell is available on the [AFFP web page](#) at www.terpgrants.org. Section [2.0 e](#) of this RFGA addresses review of the grant contract.

- b. In order to ensure that all revenue received by the TCEQ for this program is used, the TCEQ may select projects and award contracts that may ultimately exceed the amount of revenue received. Grant contracts will include a “Notice to Proceed” (NTP) clause. Any expenses incurred by the grantee prior to receiving the NTP will be at the grantee’s own risk.
- c. Payments will be made on a reimbursement basis for eligible expenses incurred by the grantee. There will be no pre-payment of expenses by the TCEQ. Requests for reimbursement may be submitted to the TCEQ no more frequently than monthly. Grantees will be required to provide documentation to show that equipment or services have been received and the expenses incurred before reimbursement is provided by the TCEQ. For a cost to have been incurred, the equipment or service must have been received and the cost must have been paid, unless otherwise approved and authorized by the TCEQ. The grant contract will also specify other requirements which must be met to document costs.
- d. Financial status reports will be required with each request for reimbursement and must list the status of all expenses and budget items. The TCEQ will provide grantees all required reporting forms.
- e. Reports on the progress of completing the project activities during the implementation stage will be required on a quarterly basis, or as specified by the contract, even if no expenses are submitted for reimbursement during that time. Reports may be posted to the TCEQ web site. Reports should include a brief overview of the project, identification number, date of the report, the status of the project at the end of the reporting period and a forecast of the work remaining to be performed.
- f. Applicants must agree to notify the TCEQ of any material change in the project. Any issues that have been identified that may affect the budget, timeline, or commercial viability of the project should be brought to the attention of the Grant Manager as soon as possible.
- g. For contracts executed after August 31, 2012, and prior to September 1, 2013, activities funded under this RFGA must be completed by May 31, 2015, and all costs must be incurred by this date. The grantee must notify the TCEQ in writing if a project is expected to require a longer period of time to be completed.
- h. The TCEQ will withhold 25% of the total reimbursable grant amount until the successful completion of the implementation stage of the project. This amount will be released for the final reimbursement of eligible expenses upon submission of the final implementation report. However, the TCEQ may, at its discretion, consider reimbursement of the total grant amount prior to completion of the implementation stage, if it is clear that the project will be completed.
- i. The grantee must complete and obtain from the TCEQ final written approval/acceptance of all implementation phase activities prior to payment of the final reimbursement request. For contracts executed after August 31, 2012, and prior to September 1, 2013, all final requests for reimbursement must be submitted prior to July 15, 2015.

1.11 PERFORMANCE EVALUATION

The TCEQ will prepare written evaluations of the performance of the grant recipient upon completion of all reimbursements and also upon the completion of the operation phase or more frequently, as deemed necessary by the TCEQ. The performance rating on contractor evaluations for a past grant may be considered by the TCEQ in evaluating an application from the grant recipient for additional funding under this program. A rating of marginal or unsatisfactory performance may be used as a basis to lower or otherwise change the priority and ranking of a future application.

1.12 FUNDING

The potential funding available under this RFGA is \$2,286,602. The total amount to be awarded under this grant program is subject to decision by the TCEQ. The TCEQ will not be obligated to select project proposals to cover the full amount of available funding and reserves the right to cancel the RFGA without awarding any grant funds.

Project funding may not be moved from one budget category to another without written approval by the TCEQ.

2.0 APPLICATION PROCESS

All applications for funding must be administratively and technically complete according to the application instructions and must be submitted within the required deadline. Incomplete applications may delay the review process or be rejected as ineligible or unresponsive. The complete requirements and instructions are included in the application forms.

- a. **Required Forms.** Application forms and a copy of this RFGA including criteria on the activities eligible for funding under this program may be viewed and downloaded from the TCEQ web page identified in [Section 1.3](#) or by contacting the TERP hotline at 512-239-4950 or 1-800-919-TERP (8377).
- b. **Grant Workshop.** The TCEQ will post the schedule for an AFFP grant workshop on the TERP webpage at www.terpgrants.org.
- c. **Application Submission.** To apply for funding, applicants must complete and submit a grant application which includes the required information described in the instructions included with the application forms. One paper copy and one electronic copy (Microsoft Word and Excel, or Adobe PDF format) of the completed forms must be submitted to:

Regular mail:

Texas Commission on Environmental Quality
Air Quality Division, MC-204
Implementation Grants Section (AFFP)
P.O. Box 13087
Austin, TX 78711-3087

Express mail:

Texas Commission on Environmental Quality
Air Quality Division, MC-204
Implementation Grants Section (AFFP)
12100 Park 35 Circle, Bldg. F
Austin, TX 78753

- d. **Deadline for Submission.** Proposals will be accepted for consideration during this RFGA only if received on the premises of the TCEQ as directed herein by *no later than 5:00 p.m. Central Time on July 31, 2012.*
- e. **Review of Sample Contract.** A copy of the sample contract shell is available on the TERP website at www.terpgrants.org. The sample contract contains terms and conditions which are standard provisions for grants awarded in the AFFP Program. Applicants ***must*** identify in the application any concerns with terms and conditions in the sample contract. The TCEQ may agree to modify the terms and conditions of the grant contract under limited circumstances, but the TCEQ ***will not*** address concerns that are not identified in the grant application.
- f. **Additional Program Information.** Individuals desiring further information are encouraged to call the TERP hotline at 512-239-4950 or 1-800-919-TERP (8377).
- g. **Status of Application.** Upon submission, all proposals become the property of the State of Texas and as such become subject to public disclosure under the Texas Public Information Act (PIA), Texas Government Code, Chapter 552. All information except for information submitted as an attachment in Form 20613b Section 4 of the application will be deemed not to be proprietary or confidential even if it has been marked proprietary or confidential. Any information the proposer wishes to protect from public disclosure ***must*** be clearly marked

“Confidential/Proprietary: inform applicant & seek AG opinion before releasing”
on *every* page and *must* be submitted according to the instructions in Form 20613b Section 4 of the application and nowhere else. Any information that is so marked and submitted in Form 20613b Section 4, if requested under the PIA, will be sent by the TCEQ to the Texas Attorney General (AG) for a decision on whether it may be withheld. Note that the AG may determine that the information is not confidential and therefore must be released. The TCEQ will inform the applicant of the request for the AG’s decision but will make no arguments in support of the request. It is the responsibility of the applicant to explain the basis for its claim that the information is confidential to the AG.

3.0 SELECTION CRITERIA

Each different project should be submitted as a separate request. Costs should be broken down so that partial funding could be considered for any grant.

3.1 SCORING CRITERIA

Proposals will be scored based on information provided in the applications. The review committee will use these scoring criteria and may consider other factors for project selection. Applications from all three project categories will have a total possible score of 100 points.

a. Need for and potential for use of the facility (up to 20 points)

Scores will be based on the need for the facility, including consideration of the current and expected number of vehicles and equipment that would be served by the facility and the availability, or lack of availability, of other sources of the alternative fuel in that area. Applicants should identify and describe the method of estimating the expected facility usage, including expected number of vehicles/equipment and expected fuel throughput. Applicants should provide information on existing and expected commitments by fleet owners to use the facility and the application should include any written agreements and letters of support by the identified fleet owners. Applicants should also detail the expected public usage of the facility and identify the sources for such estimates including any studies. The proposed marketing plan and plan for advertising the facility will also be considered and should focus on increasing public use of the facility. Applicants should be clear about what aspect of the proposed project would be considered “new” and how that new aspect will fill an identified need and is consistent with the goals of the program.

b. Access to the facility (up to 10 points)

Scores will be based on an evaluation of the ease with which the public and any fleets using the facility will be able to access the facility. Applications will need to include information on the access points and hours of availability to the public, including commitments to meet contractual minimum operating hours. The application should fully explain site design and plans to ensure ease of access by the public, hours of operation for public use, types of vehicle expected to be used by the public at the facility, steps to be taken to ensure safe operation of the facility by the public, payment process, signage and directions, and other information to show that the public will be able to easily access and use the facility. Preliminary site plans and transportation plans should be included with the application to show access to the facility. The location of the proposed facility in relation to major highways and transportation routes should be explained. Information should also be included on the type of fueling system(s) that will be used (including the fuel flow rate) and how the public will be able to use the system to refuel in a reasonable timeframe. If training will be required of users, the application should explain how that training will be provided.

c. Impact on residents and other at risk populations (up to 15 points)

The location of the proposed facility and the vehicle traffic associated with the facility should not be expected to contribute to traffic congestion, reduce or negatively impact access to an area, or negatively impact the region's and local area's air quality, including residential areas and areas with a concentration of sensitive receptors, such as schools and hospitals. Scores will be based on how well the application provides information on possible negative impacts and how those possible impacts will be minimized or eliminated. Information on local land use requirements and permitting should be included to show that the applicant has knowledge of the requirements that will need to be met and that the applicant has determined how the facility will meet those requirements. Letters of support for the proposed facility by local governments, neighborhood associations, and other pertinent groups may be provided to assist the TCEQ in assessing how the applicant has addressed these issues.

d. Qualifications and experience of the applicant (up to 15 points)

This scoring factor will take into account the expectation that the applicant is capable to follow through with the project if funding is provided. This factor will address the risks involved with funding applicants with greater or less experience with owning and operating alternative fueling facilities. Scores will be assigned based on an assessment of the experience of the applicant and the applicant's partners in constructing, owning, and operating a fueling facility and, in particular, an alternative fueling facility. Funding arrangements for the remainder of the non-grant funded project costs will also be considered.

e. Project implementation and operation (up to 20 points)

This scoring factor will assess how the proposed project will be completed in an effective and efficient manner, including technical and economic factors associated with the project. Applications should clearly and logically discuss the schedule, sequence of tasks, and appropriate objectives of the proposed project. If applicable, the application should describe any permitting that may be required for the project and the schedule for obtaining the necessary permits. The application should also discuss all financing and contractual relationships needed to complete and operate the proposed facility and their status. Importantly, the application should fully explain how the required deadlines will be met. This factor will also assess the post-implementation operations plan for the facility and how well it prepares for successful operation of the facility for the required three-year required operational period. Factors in the operations plan that will be considered include safety and site security plans, marketing and advertising plans, and sources of fuel.

f. Program alignment (up to 20 points)

This scoring factor will assess how the proposed project will increase the use of alternative fuel in nonattainment areas and Texas in general. Scores will be assigned based on the distance of the facility from existing and proposed facilities of the same fuel type with the same fueling capabilities and other factors related to

how well the project increases the availability of fueling facilities in the nonattainment area and in Texas for the alternative fuel being provided.

3.2 ADDITIONAL SELECTION CRITERIA

- a. To meet the requirements of the AFFP program, the TCEQ may limit the number of grants awarded for fueling facilities in a specific area. The TCEQ may also give priority to projects in certain areas and for certain types of alternative fuel.
- b. The TCEQ may limit the amount or percentage of available funding awarded to facilities for any single type of alternative fuel in order to ensure a reasonable and balanced mix of different alternative fuels funded under the program.
- c. The TCEQ may base funding decisions on other factors associated with best achieving the goals and objectives of the program, and the TCEQ is not obligated to select a project for funding, regardless of the scores assigned.
- d. The TCEQ is not obligated to fund a proposal for a facility with a proposed location where increased vehicle traffic could be expected to contribute to traffic congestion, reduce or negatively impact access to the area, or negatively impact the region's or local area's air quality, including impacts on residential areas or other areas with a concentration of sensitive receptors, such as schools and hospitals.
- e. The TCEQ may make selection for funding contingent upon agreement by the applicant with additional conditions or changes to the project pertaining to equipment, logistical considerations, expenses, and other program elements.
- f. The TCEQ may select parts of a proposal for funding and may offer to fund less than the eligible grant amounts and/or a smaller amount than requested in the application.
- g. Based on the number and types of applications received, the TCEQ may establish a cut-off level for grant selections that is less than the available funding, and projects may be offered a smaller amount of funding or may be held until a later date.
- h. The TCEQ is not obligated to fund a proposal from an applicant who is currently not meeting their commitments under a TCEQ contract or who has been invoiced by the TCEQ for not meeting contract requirements.
- i. The TCEQ is not obligated to fund a proposal from an applicant or for a project based on a determination of the risks associated with the applicant and/or project, including the financial condition of the applicant and other risk factors as may be determined by the TCEQ. The TCEQ may also include additional controls in a grant contract to address the risks that may be involved with providing a grant to an applicant considered to be high risk.
- j. The TCEQ is not obligated to fund a proposal from an applicant that is under federal, state, or local enforcement action for violation of environmental laws or permit conditions.

- k. The TCEQ is not obligated to fund a proposal from an applicant with an overall compliance history classification of Poor (45.01 or greater) on the TCEQ's Compliance History Database, for applicants that are subject to the rating.

4.0 APPLICATION REVIEW AND SELECTION PROCESS

- a. **Application Review.** The TCEQ will review the application's eligibility and completeness and may notify applicants of any needed changes or additional information. A grant application which is not substantially complete may be considered by the TCEQ to be non-responsive which may disqualify the applicant from receiving an award under this RFGA.
- b. **Grant Award and Contracting.** A TCEQ scoring committee may review and score all applications and send those scores and recommendations for awards to Executive Management. The TCEQ's Executive Management may make the final project selections.

A copy of the sample contract shell is available on the [AFFP web page](http://www.terpgrants.org) at www.terpgrants.org. Applicants should download and review a copy of the sample contract as soon as it is available. The sample contract contains terms and conditions which are standard provisions for grants awarded in the AFFP Program. Applicants **must** identify in the application any concerns with terms and conditions in the sample contract. The TCEQ may agree to modify the terms and conditions of the grant contract under limited circumstances, but the TCEQ **will not** address concerns that are not identified in the grant application.

Successful applicants will be notified by phone or other means of their selection and the amount of grant funds that may be awarded. At that time, the applicant will need to confirm for the TCEQ their intent to accept the grant. A grant contract will be developed and provided to the applicant to sign and return to the TCEQ. The letter transmitting a grant contract will specify the amount of time allowed for the prospective grantee to sign and return the grant contract to the TCEQ. Upon signature of the contract by the TCEQ, a copy of the signed contract will be returned to the applicant, at which time the grant will be considered awarded.

- c. **Notice to Proceed.** Signing the contract will not be the final commitment by the TCEQ to provide the funds. A subsequent "Notice to Proceed" will be issued to the grantee when sufficient funds become available. Any otherwise eligible expenses incurred prior to receipt of this notice will be at the grantee's own risk. The "Notice to Proceed" may also include authorization for a lesser reimbursement amount than originally approved in the contract, based on the amount of funds available.

5.0 CONSIDERATION OF APPLICATION IN FUTURE GRANT ROUNDS

The TCEQ may, at its discretion, retain applications not selected for funding under this RFGA for consideration under a new RFGA issued for a future grant round. Applicants will be notified by the TCEQ if their application is retained for consideration under a future grant round and will be given the option of withdrawing their application from consideration.

Attachment A: AFFF Eligible Counties Map

Alternative Fueling Facilities Program

