

**Texas Commission on Environmental Quality (TCEQ)
Texas Emissions Reduction Plan (TERP)**

**CLEAN TRANSPORTATION TRIANGLE (CTT)
ALTERNATIVE FUELING FACILITIES PROGRAM (AFFP)
Request for Grant Applications (RFGA)
Fiscal Year 2017**

**Grants for Projects to
Improve Texas Air Quality**

**CTT Solicitation No. 582-17-70325
AFFP Solicitation No. 582-17-70326**



August 8, 2016

**Texas Commission on Environmental Quality (TCEQ)
Air Quality Division
Implementation Grants Section, MC- 204
P.O. Box 13087
Austin, Texas 78711-3087
512-239-4950
1-800-919-TERP (8377)**

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Applications will be accepted for consideration during this grant period only if received and date-stamped at the front desk, Room 1301, 1st 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 Standard Time, November 8, 2016. Applications received in the TCEQ mail room on this date are not guaranteed to be delivered to Building F, Room 1301 by the required deadline. Applicants are highly encouraged to plan their submissions accordingly.

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**CLEAN TRANSPORTATION TRIANGLE (CTT)
ALTERNATIVE FUELING FACILITIES PROGRAM (AFFP)
Request for Grant Applications (RFGA)
Fiscal Year 2017**

1.0 INVITATION

The TCEQ invites applications for both the CTT program and the AFFP. Both the CTT and AFFP can fund natural gas fueling stations and are available to fund projects in the state's nonattainment areas. Because of the similarities between these programs, the TCEQ is soliciting applications for both programs under this joint RFGA and is providing one application form for applicants to apply to one or both programs, depending on the eligibility of the project.

Applications meeting the project eligibility requirements for both programs will be considered under both programs. However, a project may only be awarded a grant from one of the programs and not both. Applications meeting the eligibility requirements for only one of the programs will be considered for that program.

Applicants may apply for multiple grants at different locations, but no more than one grant application will be accepted from an applicant for each facility and no more than one grant may be awarded for each facility location. In addition, grant funding may not be combined under this program and other TERP grant programs administered by the TCEQ to fund the same project or facility. Other TERP grant programs covered by the restriction include the Emissions Reduction Incentive Grants Program and Third-Party Grants Program established under THSC, Chapter 386.

Except where otherwise noted, the application requirements and procedures outlined in this RFGA apply to both programs. Where the requirements and procedures differ, the criteria for each program are explained separately.

1.1 PURPOSE

The CTT is established under Texas Health and Safety Code (THSC), Chapter 394, which authorizes the TCEQ to provide grants for eligible projects to provide natural gas fueling facilities in the state's air quality nonattainment areas, other affected counties, and within the triangular area between Houston, San Antonio, and Dallas-Fort Worth.

The AFFP is established under THSC, Chapter 393, which authorizes the TCEQ to provide grants for eligible projects to provide fueling facilities for eligible alternative fuels in the state's air quality nonattainment areas.

The purpose of this RFGA is to solicit applications for projects to be funded from both the CTT Program and the AFFP in Fiscal Year (FY) 2017.

1.2 GOALS AND OBJECTIVES

The statutory goals of the CTT are to ensure that natural gas vehicles purchased, leased, or otherwise commercially financed or repowered under the separate Texas Natural Gas Vehicle Grant Program (TNGVGP) have access to fuel and to build the foundation for a self-sustaining market for natural gas vehicles in Texas. In implementing the program, the TCEQ is to also consider strategically placed natural gas vehicle fueling stations in and between the Houston, San Antonio, and Dallas-Fort Worth areas to enable a natural gas vehicle to travel along that triangular area relying solely on natural gas fuel.

The statutory goal of the AFFP is more general and is aimed at increasing the use of alternative fuels in the air quality nonattainment areas of Texas.

These programs are part of the Texas Emissions Reduction Plan (TERP) established under THSC, Chapter 386, and are funded from legislative appropriations to the TCEQ from the TERP Fund. The overall objectives of TERP include achieving reductions in nitrogen oxides (NO_x) emissions and other pollutants of concern to assist areas to come into compliance or remain in compliance with the National Ambient Air Quality Standards under the federal Clean Air Act.

The reduction of NO_x is important because it reacts with volatile organic compounds in the presence of sunlight to form ground-level ozone (smog). The Houston-Galveston-Brazoria (HGB) and Dallas-Fort Worth (DFW) areas are designated as nonattainment for ground-level ozone. In addition, portions of El Paso County are designated as nonattainment for particulate matter 10 micrometers or less (PM₁₀) and other areas, including around seaports in the HGB area, also may have concerns with PM emissions.

To accomplish TERP goals and objectives, the TCEQ is encouraging development of projects that will provide for strategically placed alternative and natural gas fueling stations in the eligible counties to enable a natural gas or alternative fuel vehicle to travel in those areas solely on natural gas and/or other eligible alternative fuels.

The TNGVGP also includes a priority for funding larger natural gas vehicles (i.e. trucks with a gross vehicle weight rating of 33,001 pounds or more). Expansion of the use of natural gas in larger regional-haul vehicles is considered an important component in creating a self-sustaining market for the use of natural gas for transportation in Texas. Regional travel within and between the CTT areas by these larger vehicles will require the use of liquefied natural gas (LNG), which allows for a greater fuel capacity and longer range. Therefore, stations providing both compressed natural gas (CNG) and LNG qualify for greater funding and may receive additional scoring points under the CTT selection process.

Public access, including extended hours of availability to the public, is also an important consideration under both the CTT and the AFFP.

Under this combined RFGA, the TCEQ will not direct where facilities should be located or establish a predefined requirement of how many stations should be located in a particular area. However, the TCEQ may limit the number of grants for facilities in a particular area or by type of facility to best meet the goals and objectives of these programs.

1.3 APPLICATION FORMS

This combined RFGA, grant application forms, and sample TCEQ 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 RFGA and the instructions included with the application form.

1.4 ELIGIBLE APPLICANTS AND AREAS

1.4.1 Eligible Applicants (CTT and AFFF)

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.

Applicants must certify in the application that they comply with laws, rules, guidelines, and requirements applicable to taxation of fuel provided by the applicant at each fueling facility owned or operated by the applicant.

The applicant must be the entity that will purchase and own the grant-funded equipment for the life of the grant. Entities leasing equipment or entities acting as a third party to purchase the equipment and then transfer ownership of the equipment to another entity are *not eligible* to apply for a grant.

An entity that purchases the equipment and leases it to another entity may establish eligibility provided that the grantee maintains ownership of the grant-funded equipment for the life of the grant. Applicants are not required to be the owner of the overall fueling facility provided that the applicant can demonstrate a binding commitment from the fueling facility owner to install and operate the grant-funded 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 TERP staff early in the application process.

The TCEQ is not obligated to fund a project that was previously awarded a CTT or AFFF grant. The TCEQ may consider, among other factors: (1) whether the previous grant was canceled before or after the issuance date of this RFGA; (2) whether the previous grant was canceled by mutual agreement between the TCEQ and the grant recipient due to circumstances outside of the control of the grant recipient; and (3) if the award of a new grant for the project would be in the best interest of the program.

There is no limitation on the number of grants an eligible applicant may receive from either of these programs. However, as noted earlier, grants will not be awarded from both programs for the same project.

1.4.2 Eligible Locations

CTT

To be eligible for CTT funding, the applicant must build or install and then operate a new natural gas fueling station or provide new fueling services at an existing station in any of the 63 eligible CTT counties. A map and list of the 63 eligible counties are provided in Appendix A.

AFFP

Eligible locations under the AFFP consist of 19 counties located in the state's nonattainment areas. A map and the list of the AFFP eligible counties are provided in Appendix B. Only projects located in the state's nonattainment areas are eligible for consideration under AFFP.

1.4.3 Eligible Facilities (CTT and AFFP)

Stations funded by CTT or AFFP grants *must* be new facilities or, at a minimum, provide new services. 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 or expansions to existing facilities in order to provide a previously unavailable service (e.g., LNG service at a current CNG station 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.

Stations funded by either CTT or AFFP grants *must* be publicly accessible and available for public use for a minimum of eight hours per day between the hours of 6:00 a.m. and 8:00 p.m., Monday through Friday. CTT and 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.

For gaseous fuels, the station should provide a fuel flow rate of at least three gasoline gallon equivalents (GGE) per minute in order to ensure that the fueling time is reasonable.

1.4.4 Dual-Eligibility CTT and AFFP Applications

Both the CTT and AFFP can fund natural gas fueling stations. In addition, both programs can fund projects in the Texas nonattainment areas, although the CTT is not limited to the nonattainment areas.

In order to maximize the effectiveness of both programs, dual-eligibility applicants (CNG, LNG, or CNG & LNG stations in the state's nonattainment areas) are considered under both grant programs to ensure their opportunity to receive the highest level of funding available. Applicants wishing to apply under both CTT and AFFP should choose the primary fuel for which the application will be scored. To be eligible for consideration under both CTT and AFFP, projects must meet the following location and primary fuel type criteria:

- Projects must be located in a nonattainment area (AFFP eligibility requirement);
- The primary fuel type must be CNG, LNG, or CNG and LNG (CTT eligibility requirement).

Applications eligible under both the CTT and AFFP will be assigned a separate score for each program. Applications that receive a high enough score to be selected for funding under both the AFFP and the CTT scoring criteria may be recommended for funding under the program that provides the largest grant amount to the applicant while also best addressing the program goals. However, only one grant award (either CTT or AFFP) per station will be allowed.

1.5 ELIGIBLE PROJECT CATEGORIES

1.5.1 CTT Project Categories

Eligible fuels for CTT applications are:

- CNG projects;
- LNG projects; and
- combined LNG and CNG projects.

If the project includes more than one fuel type, the application will be scored only on the fuel type selected as primary on Application Form 20606a.

Eligible project categories for CTT applications are:

- *construction of new facilities* dispensing natural gas to vehicles and equipment in the 63 CTT-eligible Texas counties, or
- *expansion of existing facilities* currently located in the 63 CTT-eligible Texas counties dispensing natural gas to vehicles and equipment to provide new services or capabilities.

For CTT stations with existing CNG or LNG facilities that will be upgrading those facilities and/or adding facilities for another natural gas fuel, applicants should make clear what aspect of the facility will be new and apply under the category for the *new* aspect of the station. For example, an existing CNG facility that will be adding LNG fueling would qualify as an LNG project. Applicants should make clear which project category they are applying under, but final determination of the most appropriate category is at the discretion of the TCEQ.

Regardless of project category, the TCEQ may give preference to CTT applications for stations:

- that will provide both LNG and CNG at a single location;
- located inside the triangular area between the Houston, San Antonio, and Dallas-Fort Worth areas; and
- located not more than one mile from an interstate highway system within the 63 CTT-eligible counties.

1.5.2 AFFP Project Categories

Eligible alternative fuels for AFFP applications will include:

- natural gas (CNG and/or LNG);
- hydrogen;
- biodiesel*;
- propane;
- electricity; and
- methanol (at least 85% by volume).

*To be eligible for AFFP funding, biodiesel and biodiesel blends must meet the following criteria: (1) biodiesel must meet the definition for biodiesel as specified in Title 34, Texas Administrative Code (34 TAC), §3.443; and (2) biodiesel blends, as defined in 34 TAC §3.443, must be comprised of at least 20% biodiesel by volume (B20). B20 biodiesel blends must meet the American Society for Testing and Materials D7467 standards.

If the project includes more than one fuel type, the application will be scored only on the fuel type selected as primary on Application Form 20606a.

Eligible project categories for AFFP applications are:

- *construction of new facilities* dispensing alternative fuels to vehicles and equipment in nonattainment areas in Texas, or
- *expansion of existing facilities* dispensing alternative fuels to vehicles and equipment to provide new services or capabilities.

1.6 ELIGIBLE ACTIVITIES AND COSTS

1.6.1. Maximum Award Amounts

- CTT grants amounts may not exceed:
 - \$400,000 for a CNG project;
 - \$400,000 for a LNG project; or
 - \$600,000 for a combined CNG and LNG project.

For stations with existing CNG or LNG facilities that will be upgrading those facilities and/or adding facilities for another natural gas fuel, applicants should make clear what aspect of the facility will be new and apply under the category for the *new* aspect of the station. For example, an existing CNG facility that will be adding public LNG fueling would qualify as an LNG project and thus be eligible for up to \$400,000 and *not* the \$600,000 grant level.

- AFFP grant amounts may not exceed 50% of the total eligible costs or a maximum of \$600,000, whichever is less.

1.6.2 Priority, Secondary, and Ineligible Budget Categories (CTT and AFFP)

Applicants are required to organize project costs into three overall categories: Priority, Secondary, and Ineligible. Please review the descriptions of these categories in the next section. The TCEQ urges applicants to understand that project costs in the Priority Budget Categories are easier to assess and subsequently reimburse than costs in the Secondary Budget Categories. Final budgets will be developed in adherence to this hierarchy and applicants are required to utilize them to categorize all project costs so that the TCEQ can readily make determinations about the budget. Additionally, the TCEQ asks that the applicants list costs that fall under the Ineligible Budget Categories so that the entire scope of the projects at the proposed site may be understood and evaluated. Any costs listed in the eligible expense categories of the application will be considered part of the project and may impact project eligibility. Though applications are scored only on the primary fuel type, expenses related to secondary fuels can still be listed as eligible expenses under AFFP. If awarded a grant under CTT, any expenses related to secondary fuels will be designated as ineligible expenses. Final budgets in the grant contracts will identify categories for which TCEQ has approved reimbursement. Shifting reimbursement between budget categories during grant performance will require prior approval from TCEQ.

Eligible activities are those that are directly related to the implementation of the project. CTT and AFFP grants are to be used to offset a portion of the cost of installation of the natural gas and alternative fuel-dispensing equipment. Applications that include design, engineering, and permitting costs for facility improvements directly related to installation of the equipment will be considered on a case-by-case basis, if the cost in the Equipment and/ or Supplies and Materials categories alone will not expend the entire eligible grant amount.

1.6.2.1 Priority Budget Categories

The TCEQ prefers to reimburse costs for equipment, supplies, and materials.

Priority budget categories cover:

- Equipment
 - Supplies and Materials
- A. Equipment is defined as non-construction related, tangible personal property having a unit acquisition cost of \$5,000 or more (including sales tax and delivery) with an estimated useful life of over one year. The purchase of testing equipment will not be funded through this program. Equipment purchased with grant funds should be budgeted as Equipment if the sum of the separate component parts (including tax and delivery) has an original value of \$5,000 or more. An invoice and proof of payment will be required for reimbursement of all equipment costs. Equipment costs that do not involve an arms-length transaction (e.g. use of inventory without a proof of purchase) are not reimbursable.

Eligible equipment costs for natural gas and alternative fuel dispensing equipment include natural gas and alternative fuel storage tanks, compressors, electrical infrastructure, and other equipment at the facility directly needed to store and dispense natural gas and/or eligible alternative fuels.

Eligible equipment-related costs include contractual costs, and supplies and non-capital items necessary for the installation of the equipment.

- B. Supplies & Materials are defined as non-construction related costs for goods and materials having a unit acquisition cost (including sales tax and delivery) of less than \$5,000. Basic items such as telephones, tools (wrenches, screwdrivers, etc.) and office supplies, are considered to be a cost of doing business and will not be funded. An invoice and proof of payment will be required for reimbursement of all supplies and materials costs. Food and drinks are not reimbursable expenses.

1.6.2.2 Secondary Budget Categories

These categories cover Construction Expenses, Contractual Services, and Other Expenses. Eligible items in these categories will be considered only if all 'Priority Budget Categories' costs will not exhaust the entire eligible grant amount.

- A. Construction expenses are defined as the costs for enhancement or building of permanent facilities. Construction costs can include: costs of planning, designing, and engineering; materials and labor connected with the construction; and any subcontracts including contracts for services in connection with the construction.

Eligible Construction Costs may include facility improvements, such as paving, foundations, covers and buildings, and similar improvements directly necessary to store and dispense natural gas or alternative fuel at the facility.

- B. Contractual expenses are defined as non-construction related costs for professional services or tasks provided by a firm or individual who is not employed by the applicant. Each subcontractor/consultant should be listed separately. Major subcontractors may need to submit a quote or itemized budget in support of the application budget. Eligible contractual costs include contractual and other costs including design, engineering, and permitting costs (excluding cost of permits issued by the TCEQ) for the installation of the grant-funded equipment.
- C. Other - Expenses not within under the other cost definitions should be itemized in this category.
- D. An invoice and proof of payment are required for each cost included in each of the three Secondary Budget Categories.

1.6.2.3 Ineligible Budget Categories

These categories are required to provide a full scope understanding of the entire project. However, costs in these categories are not eligible for reimbursement or to be counted towards cost-share, if applicable.

Costs in these categories include:

- salaries and travel expenses for employees of the grantee;
- facility improvements and equipment not directly associated with the equipment to store, compress, or dispense the natural gas or alternative fuel;
- purchase of an existing natural gas or alternative fuel fueling station;
- 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).
- Food and drink.

All costs should be accounted for in the application and listed in the budget, closely following the instructions (see Section 2 of Appendix C). Applicants should make a clear distinction between total project costs and those that are eligible for reimbursement.

Any cost incurred (i.e., received and paid) prior to the date of issuance of this RFGA will not be 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). The TCEQ 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.

1.7 FACILITY OPERATION REQUIREMENTS

The primary purpose of these two grant programs is to support the development of a network of natural gas and alternative fuel vehicle fueling stations in eligible Texas counties. CTT and AFFP grant recipients must meet the operational, maintenance, and reporting requirements specified by the TCEQ.

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:

- 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 6:00 a.m. and 8:00 p.m., Monday through Friday;
- 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 equipment as a result of damage or destruction from an insurable event; and
- submit annual reports to the TCEQ verifying continued operation and compliance with operational and maintenance requirements, including monitoring and reporting on the amount of natural gas dispensed over the reporting period.

Additionally, a grantee must proceed in good faith with all steps outlined in its 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 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, including 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 for each facility funded under a grant from the TCEQ. 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 either the CTT or AFFP. 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 the contract. A copy of the sample contract shell is available 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. Reports on the progress of completing the project activities during the implementation stage will be required on a quarterly basis according to the TCEQ/TERP reporting format, 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. 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.
- e. Activities funded under this RFGA must be completed by May 31, 2019, 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.
- f. The TCEQ will withhold 25% of the total 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.

- g. The grantee must complete all implementation phase activities and obtain from the TCEQ final written approval/acceptance prior to payment of the final reimbursement request. All final requests for reimbursement must be submitted prior to July 1, 2019.

1.11 PERFORMANCE EVALUATION

The TCEQ may 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 \$5.9 million for CTT and \$5.9 million for AFFP. 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.

2.0 APPLICATION PROCESS

All applications for funding must be administratively and technically complete, and must be submitted within the required deadline. Instructions for completing the application forms can be found in Appendix C of this RFGA, with additional instructions included on the application forms. Incomplete applications may delay the review process or be rejected as ineligible or unresponsive.

- 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 site at www.terpgrants.org, or by contacting the TERP hotline at 512-239-4950 or 1-800-919-TERP (8377).
- b. **Grant Workshops.** The TCEQ will post the schedule for grant workshops on the TERP Web Page at www.terpgrants.org.
- c. **Application Submission.** To apply for funding, applicants must complete and submit a grant application and required attachments (see Appendix C). Submit one paper copy and one electronic copy, via compact disc, in Microsoft Word and Excel, or Adobe PDF format to one of the addresses below. **Confidential information should not be submitted in electronic format.**

Regular Mail:

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

Express Mail:

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

- d. **Deadline for Official Receipt.** Proposals will be accepted for consideration during this RFGA only if received and date-stamped on the premises of TCEQ, TERP, Building F, room 1301, as directed herein by *no later than 5:00 p.m. Central Standard Time on November 8, 2016.*
- e. **Review of Sample Contract.** A PDF reference copy of the CTT and AFFP contract shells are available on the TERP Web Page at www.terpgrants.org. The sample contracts are for reference only and contain terms and conditions which are standard provisions for grants awarded in the CTT and AFFP Programs. 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) or Camen Gupta at 512-239-4966.
- 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. Any information the applicant 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 Section 3 of the application instructions in Appendix C. Any information that is so marked, 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 application.

3.1 SCORING CRITERIA

Proposals will be scored based on information provided in the joint CTT/AFFP application. If the project includes more than one fuel type, the application will be scored only on the fuel type selected as primary on Application Form 20606a.

3.1.1. *Clean Transportation Triangle Program Scoring Criteria*

Program Priorities

The following criteria are considered Program Priorities by the TCEQ. Applicants who meet the following criteria will have the relevant weighting factor(s) applied to their total score. The weighting factors in this section are available for CTT projects only, and will be based on information provided on Application Form 6: Proposed Station Location and Service Capacity.

- a. **Multiple fuels (20%):** Applications for a facility that will provide both LNG and CNG at a single location will receive a weighting factor of 20% to their total score.
- b. **Location within the triangle (20%):** Applications for a facility located within the triangular area in and between the Houston, San Antonio, and Dallas-Fort Worth areas will receive a weighting factor of 20% to their total score.
- c. **Proximity to an interstate highway (20%):** Applications for a facility located not more than one mile from an interstate highway will receive a weighting factor of 20% to their total score.
- d. **Proximity to a US or state highway (10%):** Applications for a facility located within 1/2 mile of a US or state highway in the eligible areas will receive a weighting factor of 10% to their total score. Applications meeting the criteria for both “c” and “d” will have the higher weighting factor – “Proximity to an interstate highway” – applied to their total score.

Proposed Station Location and Service Capacity (up to 40 points)

Applications will be scored on how the exact location of the proposed project closes the existing infrastructure gaps along the interstate highways that make up the CTT and throughout the 63 eligible counties. Scores may be assigned based on factors, including, but not limited to, the following:

- a. **Proximity of the station to existing facilities (maximum of 20 points):** The farther a proposed station is from existing facilities with similar fuel capabilities and fuel type, the higher the score. This criterion addresses the need for strategically placed natural gas fueling stations to create a foundation for a self-sustaining market for natural gas vehicles in Texas.

- b. **Distance from a highly traveled highway segment (maximum of 20 points):** The program is using the most recently available data collected by the Texas Department of Transportation to identify the density of traffic along segments of the interstate, US, and state highways in Texas. A station within 1/2 mile of the most heavily traveled traffic node in the area will receive the maximum number of points.

Scoring for this category may consider the fuel capacity of the proposed station relative to the traffic density of the area in which it is located.

Project Goals and Objectives (up to 15 points)

Applications will be scored based on the information provided in a detailed overview of how the project meets the program goals and objectives including, but not limited to how well the applicant explains how the station would meet the goal of creating a self-sustaining market for natural gas vehicles.

Project Feasibility (up to 20 points)

Applications will be scored based on an assessment of the feasibility of the proposed project and how the proposed project will be completed in an effective and efficient manner including. Program staff will also assess the post-implementation operations plan for the station and how well the applicant prepares for successful operation of the station for the required three-year period.

- a. **Market landscape:** Applicants will be asked to provide an assessment of the need for the station based on the current and expected number of vehicles and equipment that would be served by the station and the availability of other sources of the alternative fuel in that area. Scores will be based on:
- a demonstration of the applicant's understanding of the area's market conditions and preparedness to meet those needs;
 - the anticipated number of vehicles and equipment that will be served by the station including existing or expected fleet usage commitments; and
 - how well the fueling capabilities of the station would meet the current and expected use of the station by the public.

Letters of support for the proposed station by local governments, neighborhood associations, and other pertinent community groups and business may be provided to support the need for and potential use of the station.

- b. **Site Plan:** Applicants will be asked to:
- demonstrate the accessibility of the station to the public, including access points;
 - provide information on property rights regarding the location of the proposed station; and
 - demonstrate knowledge of local land use, zoning and permitting requirements, and the applicant's ability to meet these requirements.
- c. **Operations Plan:** Applicants will be asked to:
- demonstrate the ease with which the public will be able to utilize the station and refuel in a reasonable timeframe;

- provide details of the method of fuel delivery; and
- communicate an effective and efficient operations plan.

Qualifications (up to 5 points)

Scores will be assigned based on an assessment of the experience of the applicant in building, owning, and operating a natural gas fueling station. Educational background and business credentials for key personnel, including experience with similar projects and experience of major partners or subcontractors may also be relevant.

3.1.2. Alternative Fueling Facilities Program Scoring Criteria

Proposed Station Location and Service Capacity (up to 40 points)

Applications will be scored on how the exact location of the proposed project closes the existing infrastructure gaps in the nonattainment areas of Texas. Scores may be assigned based on factors, including, but not limited to, the following.

- Proximity of the facility to existing facilities (maximum of 20 points):** The farther away a proposed facility is from existing facilities with similar fuel capabilities and fuel type, the higher the score. This criteria addresses the need for strategically placed alternative fueling stations to increase the availability of alternative fuels.
- Distance from a highly traveled highway segment (maximum of 20 points):** The program is collecting the most recently available data from the Texas Department of Transportation to identify the density of traffic along segments of the interstate, US, and state highways in Texas. A facility within 1/2 mile of the most heavily traveled traffic node in the area will receive the maximum number of points.

Scoring for this category may consider the fuel capacity of the proposed facility relative to the traffic density of the area in which it is located.

Project Goals and Objectives (up to 15 points)

Applications will be scored based on the information provided in a detailed overview of how the project meets the program goals and objectives including, but not limited to how well the applicant explains how the facility would meet the goal of increasing the use of alternative fuels in the nonattainment areas of Texas.

Project Feasibility (up to 20 points)

Applications will be scored based on an assessment of how the proposed project will be completed in an effective and efficient manner including the technical feasibility of the proposed project. It 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 period.

- Market landscape:** Applicants will be asked to provide an assessment of the need for the facility based on the current and expected number of vehicles and equipment that would be served by the facility and the availability of other sources of the alternative fuel in that area. Scores will be based on:

- a demonstration of the applicant’s understanding of the area’s market conditions and preparedness to meet those needs;
- the anticipated number of vehicles and equipment that will be served by the station including existing or expected fleet usage commitments; and
- how well the fueling capabilities of the facility would meet the current and expected use of the facility by the public.

Letters of support for the proposed facility by local governments, neighborhood associations, and other pertinent community groups and business may be provided to support the need for and potential use of the facility.

b. **Site Plan:** Applicants will be asked to:

- demonstrate the accessibility of the facility to the public, including access points;
- provide information on property rights regarding the location of the proposed facility; and
- demonstrate knowledge of local land use, zoning and permitting requirements, and the applicant’s ability to meet these requirements.

c. **Operations Plan:** Applicants will be asked to:

- demonstrate the ease with which the public will be able to utilize the facility and refuel in a reasonable timeframe;
- provide details of the method of fuel delivery; and
- communicate an effective and efficient operations plan.

Qualifications (up to 5 points)

Scores will be assigned based on an assessment of the experience of the applicant in building, owning, and operating an eligible alternative fueling facility. Educational background and business credentials for key personnel, including experience with similar projects and experience of major partners or subcontractors may also be relevant.

3.2 ADDITIONAL SELECTION CRITERIA

In addition to the scoring criteria, other factors may be utilized to determine the CTT and AFFP grant selections.

- In order to adequately address the risks associated with a project, the TCEQ may determine minimum acceptable scores under each scoring category or factor. The TCEQ is not obligated to fund a project or may rank a project lower on the selection list based on the scores assigned to that project under a particular category or categories.
- Depending on the number of applications received, the location of the proposed facilities, and the scores assigned, the TCEQ may limit the number of grants awarded for fueling stations in a specific area.

- c. The TCEQ is not obligated to fund a proposal for a facility with a proposed location that will cause a negative impact on either access to or the air quality of a residential area or other area with a concentration of sensitive receptors such as schools and hospitals. The applicant will need to explain how the location and operations of the facility will meet this criteria. 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. If a decision is made to limit the number of facilities funded or prioritize placement of facilities in any area, the scores assigned to the projects may be used to determine which facility to fund. However, regardless of the scores and ranking assigned, the TCEQ may base funding decisions on other factors associated with best achieving the goals of the program, and the TCEQ is not obligated to select a project for funding. As part of this consideration, the TCEQ may give priority to projects in certain areas.
- 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 that has demonstrated marginal or unsatisfactory performance on current or previous grants and contracts with the TCEQ and other state agencies. A rating of marginal or unsatisfactory performance on current or past contracts may be used as a basis to lower or otherwise change the priority and ranking of an application.
- i. 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.
- j. 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.
- k. 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.
- l. The TCEQ is not obligated to fund a proposal from an applicant with an overall compliance history classification of *Unsatisfactory* (55.01 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 will review and score all applications and send those scores and recommendations for awards to Executive Management. The TCEQ's Executive Management will make the final project selections.

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 accompanying 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.

- 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" may 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. A Limited Notice to Proceed may be issued, with authorization for implementation and subsequent reimbursements contingent on receipt of proof of property rights and insurance in accordance with the contract.

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.

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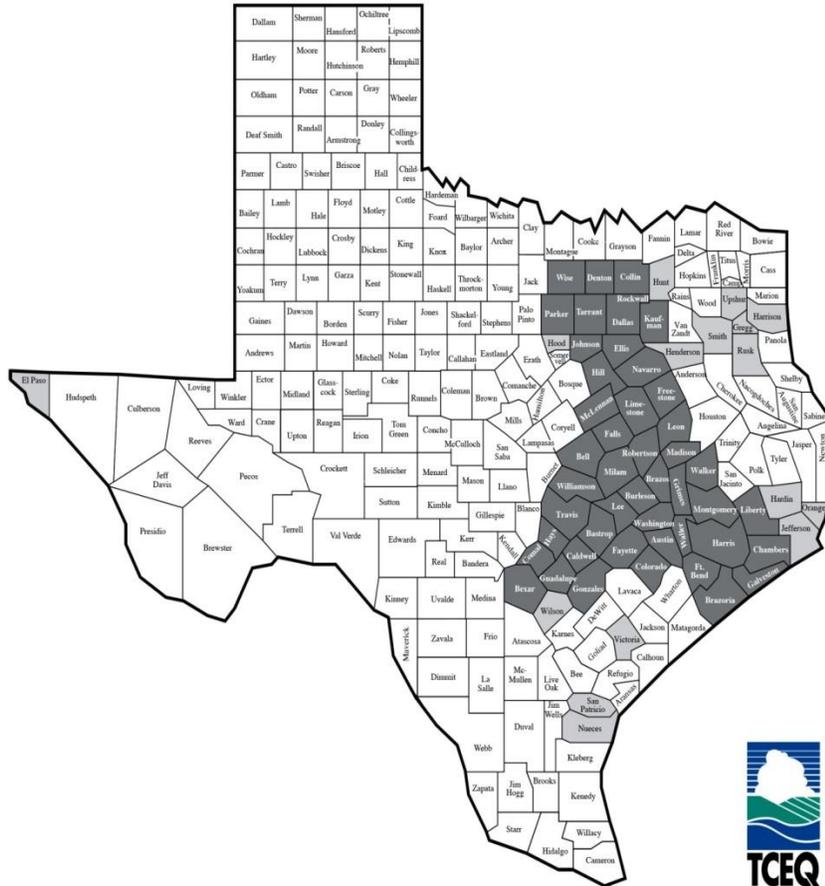
Appendix A: CTT Eligible Counties Map



Texas Clean Transportation Triangle

revised (7/13)

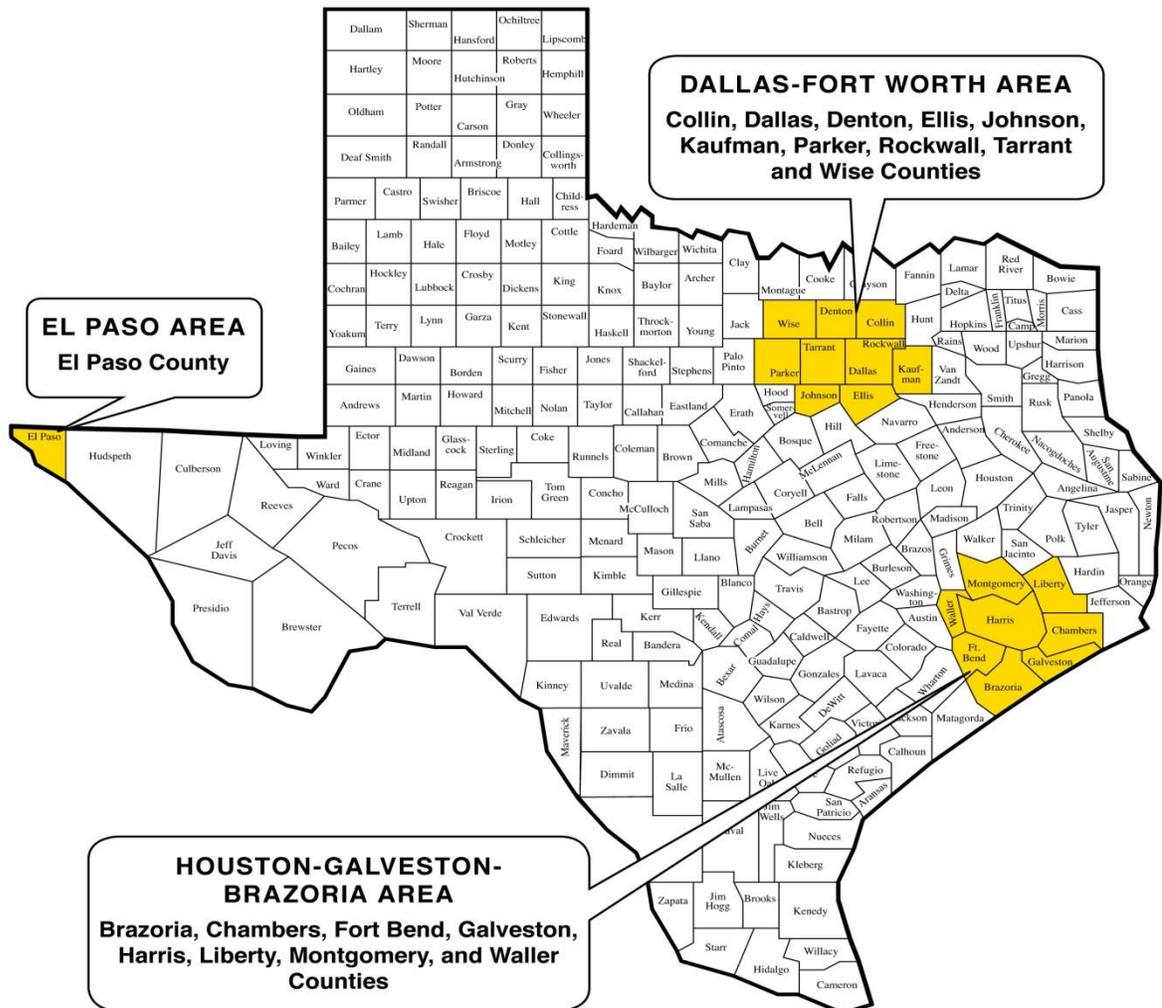
Texas Clean Transportation Triangle ELIGIBLE COUNTIES		
Priority Counties <i>(highlighted-dark)</i>		
Austin	Fayette	Madison
Bastrop	Fort Bend	McLennan
Bell	Freestone	Milam
Bexar	Galveston	Montgomery
Brazoria	Gonzales	Navarro
Brazos	Grimes	Parker
Burleson	Guadalupe	Robertson
Caldwell	Harris	Rockwall
Chambers	Hays	Tarrant
Collin	Hill	Travis
Colorado	Johnson	Walker
Comal	Kaufman	Waller
Dallas	Lee	Washington
Denton	Leon	Williamson
Ellis	Liberty	Wise
Falls	Limestone	
Other Eligible Counties <i>(highlighted-light)</i>		
El Paso	Nueces	
Gregg	Orange	
Hardin	Rusk	
Harrison	San Patricio	
Henderson	Smith	
Hood	Upshur	
Hunt	Victoria	
Jefferson	Wilson	



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Appendix B: AFFF Eligible Counties Map

Alternative Fueling Facilities Program



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Appendix C: Project Application Instructions

Application Instructions

These instructions are designed to guide applicants in preparing their grant application to apply for grants from the Texas Commission on Environmental Quality (TCEQ) Clean Transportation Triangle (CTT) and Alternative Fueling Facilities Program (AFFP). 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.

The project eligibility criteria and types of purchases eligible under this program are more fully explained in the joint CTT/AFFP Request for Grant Applications (RFGA) which outlines the grant application deadlines and provides further instructions for applying for a grant.

Applicants should first review the Joint RFGA before completing the application forms.

Application forms 20606a and 20606b MUST be submitted as part of the complete application package. Grant applicants are required to respond to each and every section following the directions herein and on the application forms. Do not modify these instructions other than providing ample written responses to required questions. Applicants must also submit a completed W-9 form (Request for Taxpayer Identification Number and Certification Form) when submitting the application.

Do not submit any confidential / proprietary information anywhere with this Application, except as instructed in Section 3 of this Appendix. You must agree that you waive any claim of confidentiality you may have in any information submitted within any part of the Application Forms, even if you have marked it confidential.

Any information the applicant 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 as instructed in Section 3 of this Appendix and nowhere else. Any information that is so marked and submitted as instructed in Section 3, if requested under the Public Information Act (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.

Section 1: Application Forms 1 - 10

Form 1: Signature Page - Select only one project and fuel type in Question 3. The application will be scored only on the fuel type selected as primary. Please use the space in Question 5 to list any additional fuel types the project may include. If the project is outside the eligible AFFP areas, the application should be written to meet the CTT eligibility criteria only. Only projects located in a nonattainment area are eligible for consideration under AFFP. Projects involving alternative fuels other than CNG/LNG as their primary fuel type are not eligible for consideration under CTT.

Complete Application Forms 2 through 5 according to the instructions on the forms. Additional instructions for Application Forms 6a-10 are outlined below.

Station Location, Service Capacity and Fuel Storage Capacity (Forms 6a-6c)

Form 6a - Complete Form 6a noting the location of the proposed fueling station, including county, street address, latitude, and longitude. Provide a photograph or map showing the proposed location of the facility.

Form 6b - Complete the tables on Form 6b noting the applicable fuel storage capacity at the proposed station location and the on-site compressor/pump capacity (compression rate) of the facility.

Form 6c - Complete Form 6c providing information regarding the fuel generation, service capacity and fill rate planned for the facility.

Project Goals and Objectives (Form 7)

Describe the project's overall goals and objectives. If the project is for the expansion of an existing facility, state clearly the current facility capabilities versus the capabilities of the proposed expanded facility.

- For AFFP projects, describe how the project meets the AFFP goal of increasing the use of alternative fuels in the air quality nonattainment areas of Texas.
- For CTT projects, describe how the project meets the CTT program goal of providing sufficient infrastructure along the eligible highways for a self-sustaining market for natural gas vehicles. Attach additional pages if necessary.

Project Feasibility and Planning (Form 8)

1. Market Landscape - Following the instructions on Form 8, describe the market or need for the station.

- Discuss the expected throughput and/or charging capabilities.
- Provide the expected number of vehicles and/or equipment that would be served by the station (including the source of such estimates).
- Describe any existing or expected fleet usage commitments. You may attach any letters of support or commitment from fleets who intend to use the proposed station.

- Discuss the availability of other sources of the proposed fuel in the area, including information on the proximity to the nearest other facilities for providing the proposed fuel.
2. **Proposed Site Plan** - Following the instructions on Form 8, Section 2A, provide a detailed site plan showing the proposed facility site design, including access points.
 - Describe the current stage of planning, highlighting any aspects of the design that are still pending and subject to change.
 - Discuss all applicable land use requirements to be met and describe how these requirements will be met.
 - In sections 2A - 2C, indicate the location's proximity to facilities that might be especially sensitive to project impacts as well as plans to mitigate those impacts.
 - In sections 2D and 2E, provide information about property rights. If the applicant is the owner of the property, attach verification documentation. If the applicant is not the owner of the property, provide any existing or proposed agreements between the owner and the applicant.
 3. **Operations Plan** - Provide a detailed operations plan for the new or expanded facility, including hours of operation, hours and type of public access, parties responsible for operation, plans for safe public operation, and payment process. Discuss any plans for needed user training, including public users. The operations plan should explain how the proposed station will be or become a self-sustaining facility and, if applicable, include a marketing or advertising plan that seeks to increase the public use of the facility.
 4. **Scope of Work (SOW)** - Provide as an attachment a complete, detailed SOW for the project. The scope should include an introduction, project objectives, project schedule, and a work statement for each task under the project. The project should be broken down into a set of logical, specific tasks that are carried out sequentially or in parallel. Note any significant decision points and the standard for determining project continuation or termination at these points.

The work statement for each task should explicitly identify the following elements:

- a detailed description of the work to be carried out under the task, broken out into clear steps;
- the parties responsible for completing the task;
- the task completion date (i.e. the due date for deliverables); and
- the grant deliverables for each task.

The SOW must also include the preparation and submission of detailed quarterly progress reports during the implementation phase, a final implementation completion report, and annual operation reports for the duration of the grant.

The following SOW outline should be used. Additional instructions for using the SOW outline are listed below:

- Add any necessary tasks not included in the outline by copying the same format as the included tasks and placing the new task in roughly chronological order by start date.
- Begin each task with a brief (sentence or two) description of the overall goal of the task. Provide more specific details than just the Task title.
- Describe each step necessary for all tasks. Try to include steps in chronological order by start date.
- Task deadlines should be timed from project start (e.g. 6 months from project start). It may be useful to include a start and end date for tasks. The earliest possible start date that may be used for grant funded work will likely be August 2016. Only expenses incurred after the grant round opening date will be considered for reimbursement. See Section 2 for additional information regarding eligible expenses.
- Deliverables should include all significant results from the work detailed in that stage (e.g. approved permit, final site plan) and any reasonable documentation of the completion of that stage (e.g. pictures of the installed equipment).

SAMPLE SCOPE OF WORK OUTLINE

Implementation Phase

Task 1: Secure rights to location

(Note that grantees will not receive a Notice to Proceed authorizing reimbursement of the grant funds until this task is completed).

- A.** Goal: Description of goal of this phase
- B.** Steps: Detailed steps to be taken
 1. Step 1 description
 2. Step 2 description
 3. Etc.
- C.** Deadline: Deadline for completion
- D.** Deliverables: Deliverables for this task

Task 2: Finalize station engineering and architectural designs and secure all necessary permits

- A.** Goal: Description of goal of this phase
- B.** Steps: Detailed steps to be taken
 1. Step 1 description
 2. Step 2 description
 3. Etc.
- C.** Deadline: Deadline for completion
- D.** Deliverables: Deliverables for this task

Task 3: Purchase equipment

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task

Task 4: Construction in preparation for fueling equipment installation

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task

Task 5: Installation of equipment

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task

Task 6: Final construction post fueling equipment installation

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task

Task 7: Obtain all necessary licenses to legally operate in Texas

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task

Task 8: Open station for public fueling

- A. Goal: Description of goal of this phase
- B. Steps: Detailed steps to be taken
 - 1. Step 1 description
 - 2. Step 2 description
 - 3. Etc.
- C. Deadline: Deadline for completion
- D. Deliverables: Deliverables for this task, including a final implementation completion report

Task 9: Reporting

- A. Goal: The PERFORMING PARTY will prepare and submit quarterly detailed project reports and a final report while ensuring compliance with all TCEQ program requirements.
- B. Steps: Detailed steps to be taken
 - 1. Coordinate all project resources to ensure compliance with program requirements while providing deliverables on-schedule and on-budget.
 - 2. Generate quarterly progress reports and a final report verifying final completion of the facility, including a copy of the dealer license issued by the State of Texas.
- C. Deadline: Submit quarterly reports to the TCEQ on December 15th, March 15th, June 15th, and September 15th of each year of the Implementation Phase of the contract. Submit the final report to complete this task within 2 months of the signed Notice to Proceed Date as issued by TCEQ.
- D. Deliverables: The PERFORMING PARTY shall submit quarterly progress reports with associated billing statements and a final implementation report to the TCEQ upon completion of this task.
- E. *Operation Phase Timeline and Contract Expiration: If at the time of final implementation report submission the grantee will be unable to complete the required three year Operation Phase period before the Expiration Date of the contract, then the grantee must request a contract amendment to extend the termination date.*

Operation Phase

Task 10: Operate station for public use for at least a three year period

- A. Goal: The PERFORMING PARTY will operate the station for public use for at least a three year period and report to the TCEQ on the status of station operation.
- B. Steps: Detailed steps to be taken
 - 1. Ensure that the station is operating and 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.

2. Ensure that if requiring the public to register to establish an account to use the facility then that registration process must be available during the required access hours and must be immediately implementable with no requirements for a waiting period prior to using the facility.
 3. Provide the TCEQ written information on the days and hours that the grant funded facility is available for public access and update the agency on a regular basis regarding any changes to those hours of operation.
 4. Publicly post information on the days and hours that the grant funded facility is available for public access at the facility and update the posting in the event of any changes to those hours of operation.
 5. Comply with all Texas Comptroller's Office laws and regulations regarding the collection of liquefied gas taxes. For more information, go to www.window.state.tx.us, click on Texas Taxes at the top of the page, and scroll down to "Liquefied Gas."
 6. Using reporting forms supplied by the TCEQ, report to the TCEQ annually on the status of the station operation including actual usage and/or fuel throughput.
- C.** Notify the TCEQ promptly in the event of any problems with or threats to station operation in compliance with this grant contract, and take prompt remedial action to address any such problems or threats and report to the TCEQ on the status of such actions. Deadline: Three years from the completion of the implementation phase.
- D.** Deliverables: Annual operation status reports and final operations report.
- 5. Timeline** - Provide a Gantt Chart or other timeline of all major project milestones and deliverables. For the purposes of this application, all grant funded work (i.e., the implementation phase) must be completed by May 31, 2019. The proposed timeline should allow adequate flexibility for meeting this deadline given any possible delays. Applicants should be prepared to begin work soon after notification of award and contract execution, however the timeline for the proposed grant funded work should begin no sooner than three months after the close of the RFGA. The timeline should end three years after the implementation completion date, or no later than August 31, 2022.

Applicant Qualifications and Experience (Form 9)

Describe the applicant's qualifications for implementing the proposed station, in particular any experience owning, or operating a similar fueling facility. Include educational background and business credentials for key personnel, including their experience with similar previous projects. The experience and/or qualifications of major partners or subcontractors may also be relevant.

Required Attachments Checklist (Form 10)

Use the checklist to confirm that all required attachments are submitted with the application.

Note concerning optional additional attachment 4: If a grant is awarded, the Terms and Conditions in the sample grant agreement will be used and be controlling in the grant award. If there are any Terms and Conditions in the sample grant agreement that you cannot agree to you ***must*** identify those at the time of application. Please note that the TCEQ may not agree to any or all of the changes and may award the agreement upon the sample agreement.

Section 2: Budget Directions

Submit a project budget using Form 20606b. Include detailed information about both costs budgeted for TCEQ reimbursement with grant funds and the projected total cost of the project including all funding sources. Costs should be broken down so that partial funding could be considered for any grant. ***Detailed information about all grant funded expenses is particularly important, including clear categorization and itemization of all grant expenses under the budget categories below.***

The budget for the projected total costs is required to provide the TCEQ with a clear picture of the overall project scope at the proposed site. The budget for the projected total costs is not required to be as detailed as the budget for costs eligible for grant funds; however, at a minimum, total expenses for each budget category below should be provided with projected itemized expenses provided when known. Clearly identify what project costs will be funded by partners, if applicable. A supplemental budget for major subcontractors can also be included. This is particularly recommended for projects in which the subcontractor will be completing a major portion of the proposed grant funded work.

The project budget cannot be held confidential for any reason. Applicants may supply supporting documentation for the budget that details confidential information, for example salaries or benefits for specific employees, but the overall budget must provide sufficient detail to demonstrate the eligibility of expenses and allow for clear connections to the supporting documentation for reimbursement.

Using Form 20606b, provide a detailed budget for the entire proposed project, including costs proposed to be covered by grant funds, and all other costs. The budget should encompass the entire station construction costs. Though applications are scored only on the fuel type selected as primary on Application Form 20606a, expenses related to secondary fuels can still be listed as eligible expenses under AFFF on Form 20606B. If awarded a grant under CTT, expenses related to secondary fuels will be designated as ineligible expenses. Final budgets in the grant contracts will identify categories for which TCEQ has approved reimbursement.

1. Be sure to differentiate clearly between proposed grant costs and project costs funded by other sources, including naming which specific items in the budget will be covered by grant funds.

2. Describe the proposed method of funding and or financing for the non-grant funded station construction costs and the operation of the facility. Identify any expected tax credits or other funding sources including other grants.

Budget Categories

The TCEQ requires applicants to organize project costs into three overall categories: Priority, Secondary, and Ineligible. Refer to section 1.6.2.1 of this RFGA for descriptions of these categories. The TCEQ prefers to reimburse costs that fall under the Priority budget categories (Equipment, Supplies and Materials). Final budgets in the grant contracts will identify categories for which TCEQ has approved reimbursement. Shifting reimbursement between budget categories during grant performance will require prior approval from TCEQ.

PRIORITY Budget Categories: The following types of costs fall under the Priority Budget Categories.

- **Equipment:** Equipment is defined as non-construction related, tangible personal property having a unit acquisition cost of \$5,000 or more (including sales tax and delivery) with an estimated useful life of over one year. Equipment constructed with grant funds should be budgeted as Equipment if the sum of the separate component parts (including tax and delivery) has an original value of \$5,000 or more. For the purposes of CTT/AFFP grants, natural gas and alternative fuel dispensing equipment (including storage tanks, compressors, charging stations, electrical infrastructure, and other equipment at the facility directly needed to store and dispense natural gas and alternative fuels) should be budgeted as Equipment. An invoice and proof of payment will be required for reimbursement of all equipment costs. Equipment costs that do not involve an arms-length transaction (e.g. use of inventory without a proof of purchase) are not reimbursable.
- **Supplies & Materials:** Supplies & Materials are defined as non-construction related costs for goods and materials having a unit acquisition cost (including sales tax and delivery) of less than \$5,000. Basic items such as telephones, tools (wrenches, screwdrivers, etc.), office supplies, etc., are considered to be a cost of doing business and will not be funded. An invoice and proof of payment will be required for reimbursement of all supplies costs.

SECONDARY Budget Categories: The following types of costs fall under the Secondary Budget Categories.

- **Construction:** Construction expenses are defined as the costs for enhancement or building of permanent facilities. Construction costs can include: costs of planning, designing, and engineering; materials and labor connected with the construction; and any subcontracts including contracts for services in connection with the construction.
- **Contractual:** Contractual expenses are defined as non-construction related costs for professional services or tasks provided by a firm or individual who is not employed by the applicant. Each subcontractor/consultant should be listed separately. Major subcontractors may need to submit a quote or itemized budget in support of the application budget.

- **Other:** Other expenses not falling under the other cost definitions should be itemized in this category. The TCEQ cannot reimburse for food or drink as 'Other.' Overhead expenses such as rent and utilities fall under Indirect Costs and are ineligible for reimbursement with CTT or AFFP grant funds.

INELIGIBLE Budget Category: The following types of costs are not eligible, but must be listed in the Ineligible Expenses section of Budget Form 20606b.

- **Salaries:** This category includes the cost of all salaries for employees of the applicant to be funded under the grant. ***No Salary costs are eligible for reimbursement with CTT/AFFP grant funds.***
- **Fringe Benefits:** This category includes costs for fringe benefits for employees of the applicant to be funded under the grant. ***No Fringe costs are eligible for reimbursement with CTT/AFFP grant funds.***
- **Travel:** This category includes the cost of all travel by employees of the applicant to be funded under the grant. ***No Travel costs are eligible for reimbursement with CTT/AFFP grant funds.***
- **Indirect Costs:** Indirect costs include overhead, rent, utilities, general and administrative expenses (G&A), general office supplies, and other costs not directly attributable to the grant funded work. ***No Indirect costs are eligible for reimbursement with CTT/AFFP grant funds.***

Section 3: Confidential Information Directions

Confidential Information

Any information the applicant wishes to protect from public disclosure **MUST** be submitted clearly marked - **Confidential/Proprietary: inform applicant & seek AG opinion before releasing** - on every page and **MUST** be submitted in a separate envelope as an attachment to the application and nowhere else. Any information that is so marked and submitted, if requested under a public information request, 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.