

Texas Emissions Reduction Plan (TERP)

Clean Transportation Triangle (CTT)
Alternative Fueling Facilities Program (AFFF)

Fiscal Year 2016
Grant Application Workshop





Workshop Agenda

- Background
- CTT Objectives
- Eligible CTT Projects
 - Areas
 - Fuel Types and Project Categories
- AFFP Objectives
- Eligible AFFP Projects
 - Areas
 - Fuel Types and Project Categories
- Eligible Applicants and Facilities
- Available Funding
- Eligible and Ineligible Expenses
- Grant Phases, Operational & Program Requirements
- Application Process & Required Documents
- Application Submission
- Application Scoring & Tips
- Contracts & Reimbursement
- Contact Information



What does TERP do?

The overall objectives of the Texas Emissions Reduction Plan (TERP) include achieving reductions in nitrogen oxides (NO_x) and other pollutants of concern to assist areas in meeting the National Ambient Air Quality Standards under the Federal Clean Air Act.

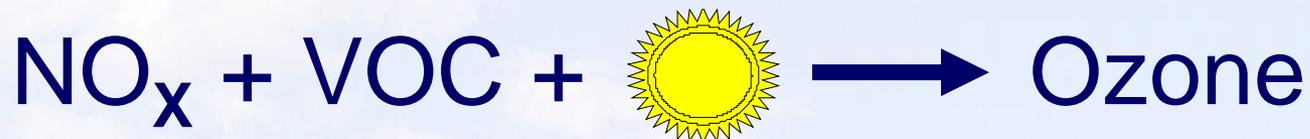
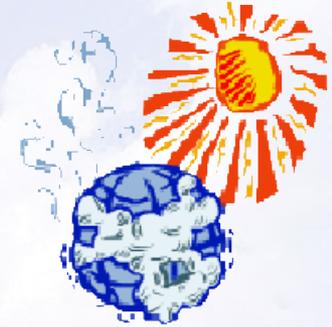
The TERP Program also supports programs to encourage the use of alternative fuels for transportation in Texas.





Ground-level Ozone Formation

The reduction of NO_x is important because NO_x reacts with volatile organic compounds (VOC) in the presence of sunlight to form ground level ozone (smog).





CTT Objectives

- To build the foundation for a self-sustaining market for natural gas vehicles in Texas by promoting a strategic distribution of fueling facilities throughout the eligible counties
- 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 natural gas for fuel



CTT Objectives (continued)

- To fund a *portion* of the cost of new natural gas fueling facilities or a *portion* of the cost to provide new services at an existing fueling facility
- To fund facilities located within the nonattainment and other affected counties of Texas or those counties within the triangular area between the Dallas-Fort Worth, Houston-Galveston-Brazoria, and San Antonio areas





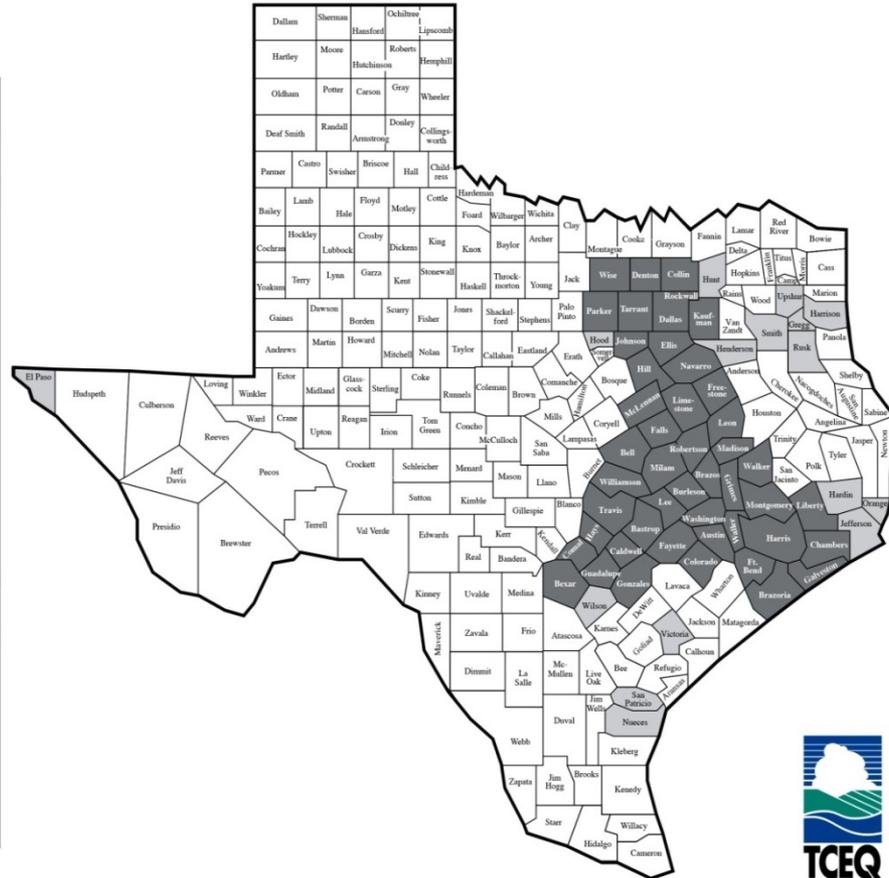
CTT Map of Eligible Counties



Texas Clean Transportation Triangle

revised (7/13)

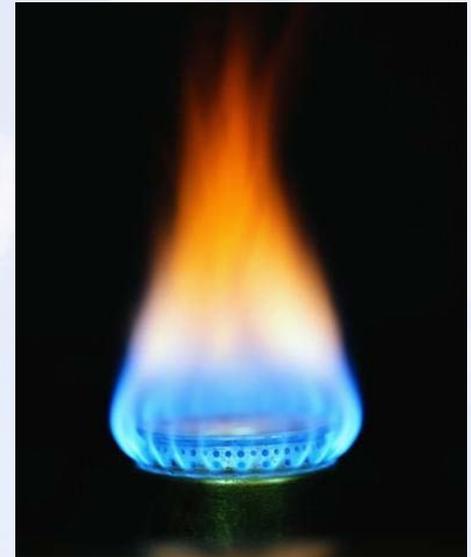
Texas Clean Transportation Triangle ELIGIBLE COUNTIES		
Priority Counties <i>(highlighted-dark)</i>		
Austin	Fayette	Madison
Bastrop	Fort Bend	McLennan
Bell	Freestone	Milam
Bexar	Galveston	Montgomery
Brazoria	Gonzales	Navarro
Brazos	Grimes	Parker
Burleson	Guadalupe	Robertson
Caldwell	Harris	Rockwall
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	





CTT Eligible Fuel Types and Project Categories

- Eligible Fuels
 - Compressed Natural Gas (CNG)
 - Liquefied Natural Gas (LNG)
 - Combined LNG and CNG
- CTT scoring preference is for projects involving both CNG and LNG.
- Project category is based on **new** aspect of project.
 - Construction of a new facility
 - New service at existing facility





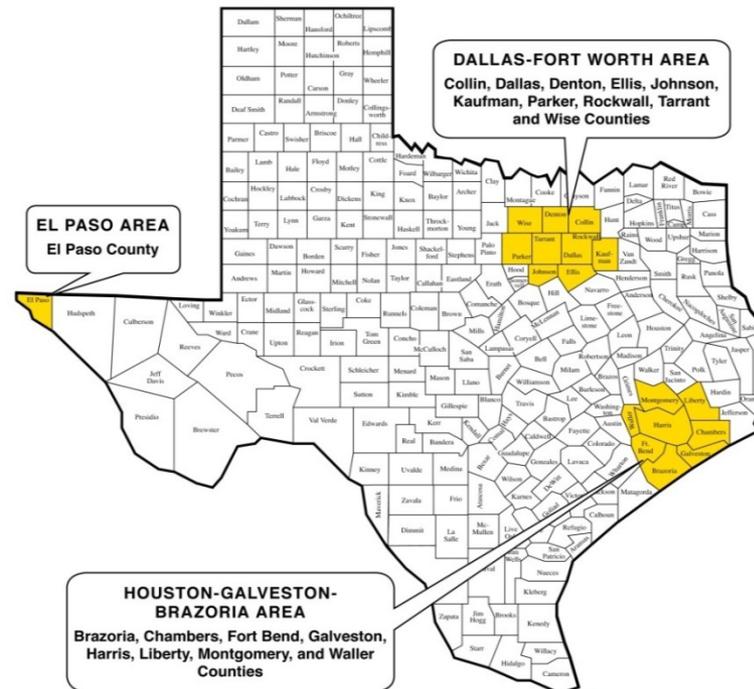
AFFP Objectives

- To increase the use of alternative fuels in the state's air quality nonattainment areas
- To offset the cost of new construction or reconstruction of existing fueling facilities in the nonattainment areas of Texas:
 - Dallas-Fort Worth Area
 - Houston-Galveston-Brazoria Area
 - El Paso County



AFFP Map of Eligible Counties

Alternative Fueling Facilities Program





AFFP Eligible Fuel Types and Project Categories

- Eligible Alternative Fuels
 - Natural gas (CNG and/or LNG)
 - Hydrogen
 - Biodiesel (at least 20% by volume)
 - Propane
 - Electricity
 - Methanol (at least 85% by volume)
- Project category is based on **new** aspect of project.
 - Construction of a new facility
 - Adding alternative fuel service to existing facility



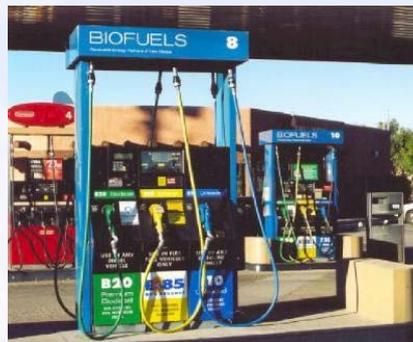
CTT/AFFP Eligible Applicants

- **Any Legal Entity**
Individuals, Corporations, Organizations, Governments (or governmental subdivisions or agencies), Business Trusts, Partnerships, Associations, or other 'legal' entities
- **Purchaser of natural gas or alternative fuel fueling equipment**
 - No equipment leases
 - No transfer of ownership
 - May lease equipment to another entity during grant
 - Must have binding agreement with facility owner
 - Must own property or have secured lease to property for duration of grant period



CTT/AFFP Eligible Facilities

- **New Facilities or New Services**
Be clear in application about what is NEW vs. EXISTING
- **Publicly Available**
Minimum eight hours/day, M-F, between 6:00 a.m. and 8:00 p.m.





CTT Funding Available

- Approximately \$5.9 Million is available for award under this solicitation.
- Maximum Grant Award is based on the fuel dispensed at the project location.
 - CNG project: not-to-exceed \$400,000
 - LNG project: not-to-exceed \$400,000
 - Combined CNG & LNG project: not-to-exceed \$600,000





AFFP Funding Available

- Approximately \$5.9 Million is available for award under this solicitation.
- Maximum Grant Award is limited to the lesser of \$600,000 or 50% of the eligible project costs.





CTT/AFFP Eligible Expenses

- The TCEQ prefers to reimburse costs in the **Priority** Budget Categories.
- Priority Budget Categories include:
 - Equipment; and
 - Supplies and Materials.
- Secondary Budget Categories include:
 - Construction;
 - Contractual Services; and
 - Other Expenses.





CTT/AFFP Ineligible Expenses

- Refer to Section 1.6 of the Request for Grant Applications (RFGA) for details.
- Ineligible expenses include:
 - expenses incurred prior to opening of the grant round (December 10, 2015);
 - employee salaries and travel expenses;
 - facility improvements and equipment not directly associated with the natural gas or alternative fuel dispensing equipment;
 - costs to purchase land or an existing station;
 - permitting costs for TCEQ-issued permits; and
 - administrative costs including overhead and indirect costs (e.g., office supplies, rent, marketing, and advertising).





CTT/AFFP Grant Phases



- **Implementation Phase**

- Facility is under construction.
- Eligible grant funds can be reimbursed during this phase.
- Work may begin prior to award but only expenses incurred after RFGA posting date are eligible for reimbursement (December 10, 2015).
- *Station must be complete and open to the public by May 31, 2018.*



- **Three-Year Operational Phase**

- Facility must be open and available for public use.
- Facility must remain operational for three years from the end of Implementation Phase.



Operational Requirements

Grantee is required to:

- maintain ownership or control of the grant-funded equipment;
- maintain required insurance coverage;
- maintain facility in operating condition with public access; and
- ensure public accessibility.
 - Station must be open to the public for a minimum of eight hours/day, M-F, between 6:00 a.m. and 8:00 p.m.
 - Notify TCEQ of Location and Public Hours for TERP website posting.
 - Notify TCEQ of any change to public access.



Reporting Requirements

TCEQ will supply all forms to be used by Grantee.

- Implementation Phase:
 - Quarterly Progress Reports due 15th day of following quarter (i.e. January 15th, April 15th, July 15th, and October 15th).
 - Final Report with pictures of the completed and operational station must be submitted before the final reimbursement of retained funds is approved.
- Operation Phase:
 - Must provide Annual Progress Reports.
 - Promptly report any change in public access hours or any other changes.





CTT/AFFP Application Process



- ***FIRST read the RFGA and Example Contract.***
- Follow the Application & Budget Instructions – Appendix C of RFGA.
- Review “Frequently Asked Questions” (FAQ) document to be posted on website throughout RFGA period.
- Each station address requires a separate Grant Application.
- Application, reference documents, and workshop information are located at www.terpgrants.org.



CTT/AFFP Application Documents

- Complete, sign, date, and submit the following forms:
 - Project Application Form, TCEQ-20606a (Excel document)
 - Project Budget Form, TCEQ-20606b (Excel document)
- Include Supporting Documents
 - W-9 form, Scope of Work, Timeline, letters of support, etc.





CTT/AFFP Budget Requirements

- Must use Excel Budget Form 20606b.
- Include TOTAL Project Costs.
- Identify and distinguish between:
 - proposed grant-funded expenses; and
 - non-grant funded expenses.
- Reminder: Grant-funded expenses should only include **eligible** expenses.





Submitting the Application

Submit application in person or by mail to:

Texas Commission on Environmental Quality

12100 Park 35 Circle, Bldg. F

Austin, TX 78753

- one paper copy with original signatures
- one electronic copy (CD/DVD)
 - Do NOT send on USB storage device (flash drive).
 - Do NOT E-Mail: emailed applications will NOT be accepted.



SUBMISSION DEADLINE:

Tuesday, March 8, 2016

5:00 p.m. Central Standard Time



Confidential Documents

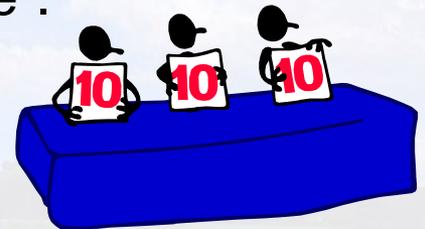
- Only supporting information relevant to Grant Application may be marked as confidential.
 - Application Forms, Budget, Scope of Work, and Timeline CANNOT be “confidential”.
- “Confidential” Submission Requirements:
 - Paper only: TCEQ will not accept “Confidential Documents” electronically.
 - Submit confidential documents with your Grant Application in clearly marked separate envelope.
 - Mark every page: ***“Confidential/Proprietary: Inform applicant & Seek AG Opinion before Releasing”***.





CTT/AFFP Grant Scoring Criteria

- Refer to Section 3.1 of RFGA for details.
 - Proposed Station Location and Service Capacity (up to 40 points)
 - Project Goals and Objectives (up to 15 points)
 - Project Feasibility (up to 20 points)
 - Applicant Qualifications (up to 5 points)
- CTT Program Priorities:
 - both CNG and LNG offered;
 - proximity to interstate, US, or state highway; and
 - location in Priority Counties within “Triangle”.





Tips for Strengthening CTT/AFFP Grant Applications

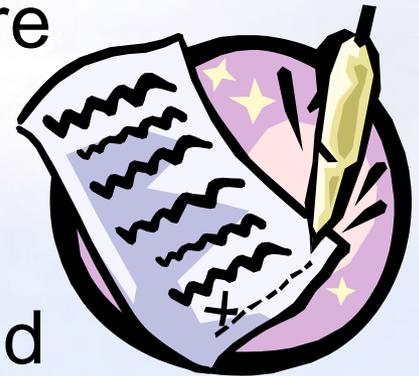
- Provide thorough responses to all questions.
- Be 100% CLEAR about:
 - new vs. existing service;
 - steps in Scope of Work & Timeline; and
 - grant-funded vs. applicant-funded expenses.
- Review and address scoring criteria.
Refer to RFGA, Section 3.1.
- Include ALL required supporting documents.
 - technical details
 - letters of support
 - partner agreements
 - property rights or lease agreements
- Double-check **EVERYTHING** before submission.





Contracts

- A contract will be sent to an applicant selected for award to sign and return.
- Example CTT and AFFP contracts are available at www.terpgrants.org.
- A Notice to Proceed (NTP) will be sent to the applicant when all required documentation (property rights or lease agreement and station insurance certification) is received. Expenses incurred prior to receipt of this notice will be at grantee's own risk.





Reimbursement

- ***No Advance Payments!***
- Sufficient Financial Support Documentation is Required.



Proof of payment may include cancelled checks (front and back), credit card statements, accompanied by itemized invoices.

- **Retained Funds:** 25% is withheld from each reimbursement.

Retained Funds balance to be paid on project completion and after submission and approval of Final Project Status Report.



Reimbursement

(Continued)

- Reimbursements are made after the cost has been incurred and paid – can submit monthly as expenses are incurred.
- Status reports (when applicable) must be submitted before reimbursement.
- Reimbursement forms are provided with the contract.
- Electronic versions are also available on the TERP website.



CTT/AFFP Contact Information

Camen Gupta
CTT/AFFP Program Coordinator
(512) 239-4966
Camen.Gupta@tceq.texas.gov

TERP@tceq.texas.gov
1-800-919-TERP (8377)

www.terpgrants.org