

NTIG SOLICITATION 582-14-41420

Questions and Answers of General Interest to Applicants

1. Will the NTIG program fund any research and development (R&D) work for the technologies or equipment proposed for the project?

No, the NTIG program funds the implementation of fully developed, off-the-shelf technologies. The program is not intended to fund any research and development work.

2. Does the TCEQ have a reference document that defines what constitutes “research and development” type projects and “commercially available” projects?

No, it is up to the applicant to demonstrate the readiness of the technology in the application. Applicants should include information about technical merits of the technology and testing protocols that demonstrate physical testing. This information should prove the technology can and will work as proposed.

3. What is a facility or stationary source?

A facility is a discrete or identifiable structure, device, item, equipment, or enclosure that constitutes or contains a stationary source, including appurtenances other than emission control equipment. A mine, quarry, well test, or road is not considered to be a facility ([Texas Health and Safety Code, Sec. 382.003\[6\]](#)).

A stationary source is generally any source of an air pollutant except those whose emissions result directly from an internal combustion engine used for transportation purposes or from a non-road engine or non-road vehicle as defined in section 7550 of title 42 of the U.S. Code ([Clean Air Act, Title II, Sec. 216](#)).

4. My organization produces an emission-reducing or energy storage technology. Can we get funding?

If your organization is not the owner or TCEQ-approved operator of a facility or stationary source, your application may be rejected. Technology vendors are encouraged to seek out project sites and applicants that are appropriate for their technology.

5. If I am not the owner of the facility or stationary source, can I apply? How does an applicant provide evidence of operational control of a facility during the project and for five years after final reimbursement is paid by TCEQ?

If you are not the owner or TCEQ-approved operator of a facility, before the application deadline, you must receive TCEQ written approval to apply. This must be requested and finalized prior to June 27, 2014.

The following is a non-exhaustive list of items that the TCEQ may accept as evidence of operational control:

- lease for facility covering the applicable years

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- business documents showing applicant as owner/operator
- operational agreements between operator and facility owner (if entities are separate)

6. What is the maximum grant award available?

The potential funding available is \$2.3 million per fiscal year. The TCEQ is also statutorily required to set aside at least \$1 million in funding for the Electricity Storage project category, but the quality and competitiveness of the applications received will determine final allocation and distribution of awards.

7. Does the TCEQ have a targeted number of projects that it expects to fund through NTIG?

No, the number of projects funded will depend on the quality and number of project applications received by the program, and whether they are eligible and sufficient to warrant a grant award.

8. What is the definition of the term “renewable energy”?

For purposes of the NTIG program, TCEQ is using the statutory definition of “renewable energy technology from TUC 39.904. “Renewable energy technology” means any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly from the sun, indirectly from the sun, or from moving water or other natural movements and mechanisms of the environment. Renewable energy technologies include those that rely on energy derived directly from the sun, on wind, geothermal, hydroelectric, wave, or tidal energy, or on biomass or biomass-based waste products, including landfill gas. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources ([Texas Utilities Code, Sec. 39.904\[d\]](#)).

9. For Electricity Storage projects, what does the one megawatt (MW) minimum rated power requirement mean?

Electricity Storage projects should be able to make available at least 1MW instantaneous power under nominal operating conditions (nameplate capacity). This does not refer to an amount of energy, like one megawatt-hour (one hour of energy supplied at a rate of 1 MW). Rather, it refers to an ability of the storage technology to make at least 1 MW available at any given moment under normally expected operating conditions. Applicants have to meet this threshold at a single project site. Other factors, such as duration of discharge and response time are also considered in the scoring. Please see p. 19 of the [Request for Grant Applications](#) (RFGA), Section 3.1.3 for more information.

10. What are the review timelines for this grant round?

Depending on the quantity of the applications received in this round, the review by TCEQ and the three coordinating state agencies may take between one to three months. Additionally, the approval of awards and the contract negotiations may also take several months. With these parameters, we expect contract execution to occur as early as fall 2014, though this is only an estimate.

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11. What is the role of TCEQ Permitting and the three state agencies for the NTIG program?

In addition to the reviews performed by NTIG program staff, reviews will also be performed by TCEQ Permitting and the Texas Comptroller of Public Accounts (TCPA), Public Utility Commission of Texas (PUCT), and Railroad Commission of Texas (RRC). For example, the Comptroller will assess, among other things, the financial stability of applicants. The full details of interagency audit and review duties are in the [Texas Health and Safety Code Sec. 391.102\(f\)](#). The table below briefly summarizes the review duties of these other organizations.

State Agency	TCEQ Air Permits	Comptroller (TCPA)	Public Utility Commission (PUCT)	Railroad Commission (RRC)
Project categories examined	All three	All three	All three	(1) Advanced Clean Energy, (2) New Technology
What they assess	<ul style="list-style-type: none"> • Current compliance status of applicant • Potential emissions reductions of project 	<ul style="list-style-type: none"> • Financial stability of applicant • Potential economic benefits and job creation of project • For grantees, use of grant funds (annually) 	<ul style="list-style-type: none"> • Reliability of proposed technology • Feasibility and cost effectiveness of electric transmission associated with project 	<ul style="list-style-type: none"> • Availability and cost of fuel involved with project

12. If applicants submit confidential information in their application, are they able to withdraw that information at any point?

Once information is submitted to the TCEQ, it is considered a public record and becomes subject to release under the Texas Public Information Act and cannot be withdrawn.

13. Can state and federal funds used to fund the project count as matching funds for NTIG?

Federal funds and funding provided by states other than Texas may be counted as matching funds for NTIG projects, so long as the requirements of that alternate public funding make no claims to emission reduction credits generated by the grant funded project as these are required to be transferred to the Texas State Implementation Plan and retired (see RFGA Section 1.13). Funds provided by the State of Texas cannot be counted as matching funds. The TCEQ will scrutinize federal and other-state funding for eligibility on a case-by-case basis. Other sources of public funding should be included in the application for confirmation of cost match eligibility.

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14. If the project has equipment that may not be constructed or assembled by May 31, 2016, can it still be listed in the application budget? What about subcontractors?

Yes, as long as that equipment is not part of costs that are requested for reimbursement under the grant. Only the portion of the overall project that the NTIG program is funding must be completed by May 31, 2016. However, grantees are required to report on the status of the funded technology and the progress of the overall project for five years after final reimbursement is paid by the TCEQ. Only the portion of the project funded by NTIG requires TCEQ approval/acceptance of project activities and deliverables performed by subcontractors.

15. What is the extent and level of detail required for the application?

The budget can reflect only those costs proposed for reimbursement as well as enough items proposed for matching funds to satisfy the 50% requirement. Applicants should be sure to include an excess of matching funds well over the 50% level (see 16. below) since some costs may be deemed ineligible as matching funds by the TCEQ during reviews or negotiations due to issues regarding budget category or timing of purchase, among other considerations.

The scope of work (SOW) and responses to narrative questions should provide an overview of all the work to occur at the project site for the project, not just the portion that is proposed for grant funding. Applicants should be forthcoming and transparent about timelines for the entire project.

16. What costs are eligible for the minimum 50% cost share (matching funds) requirement?

To be accepted by the TCEQ, costs marked by applicants as matching funds must also be costs eligible for reimbursement. For example, costs associated with the purchase of land are ineligible as a reimbursable cost and therefore would also not be accepted by TCEQ as matching funds.

All *applicants* must show a minimum 50% cost share in the application budget. Applicants that may have questionable cost share items should plan to provide for a cushion above the required 50% cost share to ensure basic eligibility is met. All *awardees* must prove a minimum 50% cost share, though the TCEQ may make adjustments to costs identified as cost share in the application. Especially since cost share items may be excluded based on acquisition or payment date of the item in question, applicants should pad their budget well above the 50% matching funds threshold.

The TCEQ particularly encourages applicants to review the Uniform Grant Management Standards (UGMS) when developing application budgets. The UGMS is available as a direct download from the State of Texas Governor's website.