



Alternative Fueling Facilities Program (AFFP)

The goal of the AFFP is to ensure alternative fuel vehicles have access to fuel and to build the foundation for a self-sustaining market for alternative fuels in Texas.



Available Funding

- **\$12 million in grant funding available**
 - **\$6 million** for Compressed Natural Gas (CNG) and/or Liquefied Natural Gas (LNG) projects divided as follows:
 - \$2 million for **small business** natural gas projects
 - \$4 million for all other natural gas projects
 - **\$6 million** for all other fuel types divided as follows:
 - \$2 million for **small business** projects (all alternative fuel types, including Level II and DC Fast charging)
 - \$4 million for all project types (except Level II unless a **small business**)



Small Business Qualification

- A small business must be actively registered or certified as one or more of the following no later than May 10, 2022, 5:00 p.m. CST:
 - A small business corporation under Subchapter S of the Internal Revenue Code;
 - A Historically Underutilized Business (HUB) with the Texas Comptroller’s Statewide HUB Program;
 - An 8(a) Small Business by the U.S. Small Business Administration (SBA);
d. Woman Owned Small Business (WOSB) by the U.S. Small Business Administration;
 - HUBZone Program by the U.S. Small Business Administration; f. Veteran-Owned Small Business (VOSB) or Service-Disabled Veteran-Owned Small Business through the Department of Veterans Affairs;
 - A Disadvantaged Business Enterprise (DBE) by the Texas Department of Transportation (TxDOT) or entities that are part of the Texas Unified Certification Program; or
 - Any other entity certified as a small business enterprise by the state of Texas or Texas local government, regional certification agency, or the U.S. Small Business Administration.



Eligible Applicants

- Includes individuals and legal entities
- Must have an active registration with the Texas Secretary of State by no later than May 10, 2022, 5:00 PM CST
- Must purchase and own the grant-funded equipment during the contract period
- Must own the site where the equipment is installed unless the applicant establishes permission from the site owner
- May not be a TCEQ employee or a spouse or family member of a TCEQ Employee
- May not have received (including any affiliates) two or more grants under the Texas Volkswagen Environmental Mitigation Program (TxVEMP) for Direct Current Fast Chargers and Hydrogen Fueling Equipment
- May not apply for funding at a project site that has previously been awarded a grant under the TxVEMP or AFFP unless the project qualifies as a reconstruction project



Eligible Projects

- Include the construction or reconstruction of an alternative fueling facility
 - Reconstruction is the expansion of a site to provide a new and different alternative fuel
- Alternative fuels include: CNG, LNG, CNG and LNG, hydrogen, biodiesel, propane, electricity, and methanol (at least 85% by volume)
- Must be in the Clean Transportation Zone
- Public facilities will be considered before private facilities



Public vs. Private Facilities

- A **public facility** is any facility open and accessible to the public for a minimum of eight hours per day, between the hours of 8:00 a.m. and 6:00 pm, for at least five days a week.
- A **private facility** is any facility that restricts the general public's right to access the facility in some manner.



Eligible Grant Amounts

- **CNG *or* LNG** project: \$400,000
- **CNG *and* LNG** project: \$600,000
- **For fuels other than natural gas:** the lesser of 50% of eligible project costs or \$600,000



Eligible Project Costs

- Costs directly related to the implementation of the project including:
 - Equipment
 - Supplies and Materials
 - Construction
 - Contractual
- Costs incurred after May 10, 2022



Ineligible Project Costs

- salaries and travel expenses for employees of the grantee
- expenses of any lobbyist registered in Texas
- 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 facility
- facility, land, or an interest in land
- costs for TCEQ-issued permits
- other administrative costs of the grantee, including overhead and indirect costs (e.g., office supplies, rent, and marketing)
- costs that do not involve an arms-length transaction, such as the use of existing inventory without a proof of purchase
- food and drink



Application Submission

- Applicants must complete and submit a substantially complete grant application to the TCEQ via email or mail **by 5:00 p.m. Central Standard Time on July 12, 2022.**
- Submission of a grant application that is not substantially complete will disqualify the applicant. A substantially complete application must include:
 - all pages of the application;
 - all required attachments;
 - applicant contact information;
 - all required signatures; and
 - all the information for TCEQ to score and rank the project.
- Subject to staff resources, TCEQ may conduct a courtesy review of applications submitted within the first 30 days of the solicitation period to check for application completeness.



Grant Selection & Scoring

- Applications will be evaluated, scored, and ranked based upon representations made in the application at the time of application submission.

Note: Once selected for a grant, any changes made to the representations in the application that reduce the total project score will make any resulting contracts voidable.
- Applicants will be scored on the location of the proposed project and its ability to close the existing infrastructure gaps along the interstate highways that make up the CTZ and throughout the 83 eligible counties.
- In the event of a tied score, TCEQ will use the tiebreakers provided in Section 3.3 of the Request for Grant Applications.



Scoring Criteria – Natural Gas Projects Up to 150 Points

Criteria	Max. Points
Proximity to existing facilities	30
Average traffic count from the nearest highway traffic nodes	30
Proximity to interstate, U.S. or state highway	30
Located in priority area	10
Number of fueling/charging ports	10
Facility provides multiple fuels	20
Local amenities nearby	10
Hours of operation preference	10



Scoring Criteria – Other Alternative Fuel Projects (Up to 150 Points)

Criteria	Max. Points
Proximity to existing facilities	40
Average traffic count from the nearest highway traffic nodes	40
Proximity to interstate, U.S., or state highway	40
Number of fueling/charging ports	10
Local amenities nearby	10
Hours of operation preference	10



Contracting

- Applicants selected for grant funding will be required to sign a contract with TCEQ.
 - A draft contract shell and SOW is available for review and download at www.terpgrants.org.
 - Any requested changes to the draft contract must be received by TCEQ no later than the application submission date.
- The contract will not be the final commitment required by TCEQ to provide the grant award.
 - TCEQ will provide the grantee with a "Notice to Proceed" with grant activities once all required documentation is received by TCEQ including:
 - Proof of insurance
 - Site host agreement or site ownership documentation
 - Fuel/electricity provider agreement or arrangement



Reimbursement of Expenses

- Payments will be made on a reimbursement basis for eligible expenses incurred and paid in full by the grantee.
- Grantees will be required to provide documentation to show that equipment or services have been received and costs have been paid in full before reimbursement is provided by TCEQ.
- Unless otherwise approved by TCEQ, TCEQ will withhold 10% of the total grant amount until the facility goes into operation.
- All grant activities must be completed, all costs must be incurred, and final requests for reimbursement must be submitted to the TCEQ **by April 30, 2024.**



Operations & Reporting

- **Implementation Period**

- Period during which equipment is purchased and placed into service
- Ends upon the later of the payment of the final RFR and release of claims or TCEQ's written approval of the final implementation report
- Provide reports twice a year

- **Operations Period**

- Three (3) year period during which the grantee must ensure the operation of the grant-funded facility and the operation of the grant-funded equipment
- Provide annual reports



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