

Request for Grant Applications (RFGA)

Alternative Fueling Facilities Program (AFFP)

Texas Commission on Environmental Quality (TCEQ)
Texas Emissions Reduction Plan (TERP)
Solicitation No. 582-26-85002-AF

Esta es la Solicitud de Aplicaciones de Subvenciones para el Programa de Instalaciones de Combustibles Alternativos (AFFP por sus siglas en inglés). La información en este documento le ayudará a determinar si califica para una subvención. Comuníquese al 800-919-TERP (8377) para obtener ayuda con esta información.



Key Events	Date
Program Open Date	October 22, 2025
Application Submission Deadline	January 20, 2026
Request for Reimbursement Deadline	April 30, 2028

Contact Information

TCEQ
Air Grants Division, MC-204 (AFFP)
P.O. Box 13087
Austin, Texas 78711-3087
1-800-919-TERP (8377)
TERPgrants.org

Applications will be accepted for consideration during this grant period only if received **no later than 5:00 p.m. Central Time on the application submission deadline listed on the cover page of this RFGA.**

Refer to TERP's AFFP webpage for detailed instructions for submission at

<https://www.tceq.texas.gov/airquality/terp/affp>.

The award of an AFFP grant is dependent in part upon the availability of funding. Any changes to this solicitation will be made through an addendum in the Electronic State Business Daily (ESBD), as well as posted on TERP's AFFP webpage.

There will be no pre-proposal conference. An informational webinar was held on October 1, 2025, and can be viewed on TERP's AFFP webpage.

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1.0 Purpose

The AFFP is established under Texas Health & Safety Code (THSC) Chapter 393, authorizing TCEQ to provide grants to encourage the construction and reconstruction of alternative fuel facilities in the Clean Transportation Zone (CTZ).

2.0 Program Requirements

Applicants and projects must meet the eligibility requirements listed below at the time of application submittal to be considered for a grant.

2.1 Eligible Applicants

- a) Eligible applicants include individuals, state and local governments, corporations, or any other legal entity.
- b) All business entities such as corporations or partnerships must have an active registration with the Texas Secretary of State by the program opening date listed on the cover page of this RFGA. If awarded a contract, businesses must maintain an active registration during the contract period.
- c) Applicants must certify at the time the application is submitted that they comply with federal and state laws, rules, guidelines, and requirements applicable to taxation of fuel provided by the applicant at each fueling facility owned or operated by the applicant.
- d) The applicant must be the entity that will purchase and own the grant-funded equipment during the contract period, subject to the following:
 - 1) An applicant that purchases the equipment and leases it to another entity may establish eligibility provided that the applicant maintains ownership of the grant-funded equipment during the contract period.
 - 2) Any sale of the grant-funded equipment during the contract period will be subject to approval by TCEQ in accordance with the contract terms. Failure to obtain approval will result in a material breach of the contract and may require the return of grant funds.
- e) Applicants are required to be the owner of the site where the equipment is to be installed unless the applicant demonstrates permission from the site owner to install and operate the grant-funded equipment at the site during the contract period by completing Section 5 of the AFFP application. Section 5 must be signed by the site owner.
- f) Applicants may only include one project site and one alternative fuel type per application submission. A combined Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) project may be submitted in one application.
- g) An applicant is not eligible for funding at a project site that has previously been awarded a grant under any TERP or Texas Volkswagen Environmental Mitigation Program (TxVEMP) grant round for Level 2 electric chargers, direct current fast chargers, and hydrogen dispensing equipment, unless the project qualifies as a reconstruction project as defined in Section 2.2(g).
- h) Applicants must disclose known apparent, potential, or actual conflicts of interest to TERP staff at the time the application is submitted. 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.

2.2 Eligible Projects

- a) Projects must be in one of the counties that make up the CTZ. A map and list of counties in the CTZ are provided in Appendix A.
- b) Projects must provide fueling or charging infrastructure that will be fixed at a single, specified geographic location for the duration of the contract.

- c) Eligible alternative fuel types for projects include: CNG, LNG, CNG and LNG, hydrogen, biodiesel, biodiesel blends, propane, electricity, and methanol (at least 85% by volume).
- d) 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.
- e) Electricity charging facilities that are available to the public must comply with Texas laws and rules, including those adopted by the Texas Department of Licensing and Regulation (TDLR). This includes ensuring that any AFFP-funded chargers are equipped with an electric vehicle charging connector or plug type that is widely compatible with as many types of electric vehicles as practicable, along with any other rules that are adopted by TDLR.
- f) Projects that are open to the public will be prioritized for funding before private facilities.
 - 1) TCEQ considers a facility to be private if the general public's right to access the facility is restricted in any manner. Examples of access that TCEQ considers restricted include: a parking lot of a commercial business that requires a parking permit during business hours, or a facility with an electronic reservation system allowing one or more fueling ports funded by the grant to be restricted to a specific user or vehicle for a period of time.
 - 2) A public facility must be 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 p.m., for at least five days a week.
- g) Eligible projects must include the construction or reconstruction of an alternative fueling facility. Reconstruction is defined as the expansion of a site to provide a new and different alternative fuel that does not exist at the site.

2.3 Facility Implementation and Operation Requirements

- a) Grantees must proceed in good faith and take all necessary actions to ensure the on-time implementation of the project and subsequent operation of the grant-funded facility for a period of at least three years.
- b) Grantees must meet the ownership, operational and maintenance, permitting, and insurance requirements specified by TCEQ in the contract during the Implementation and Operation Periods of the contract. Failure to do so may invoke the contract's remedies, including termination of the contract and the return of grant funds.
- c) To monitor the grantee's progress, TCEQ will require biannual reports during the Implementation Period of the project and annual reports during the Operation Period of the project. All reports must be submitted on TCEQ-provided forms.
 - 1) The Implementation Period is the period during which grant equipment is purchased and placed into service. The Implementation Period will end upon TCEQ issuing the final payment of grant funds.
 - 2) The Operation Period will begin once the grantee completes the Implementation Period. The Operation Period is the three-year period during which the grantee must ensure the operation of the grant-funded facility and the maintenance of the grant-funded equipment. Grantees will report on the amount of natural gas and/or other alternative fuels dispensed.

If during either period, the AFFP grantee fails to submit reports or fails to demonstrate reasonable progress toward project completion or continued operation, TCEQ may invoke the contract's remedies, including termination of the contract and the return of grant funds.

3.0 Available Funding, Grant Amounts, and Costs

A total of \$12 million is available for award under this grant program, contingent on the amount of revenue received by the TERP Trust Fund. TCEQ is not obligated to select project proposals to cover the full amount of expected or available funding.

3.1 Funding Categories

Funding will initially be allocated based on the following project selection preferences. Depending on demand and the requested grant amounts of eligible applications received, TCEQ may redistribute these allocations to best meet the purposes of the AFFP program.

- a) \$6 million for CNG and/or LNG projects, divided as follows:
 - 1) \$2 million for small business natural gas projects
 - 2) \$4 million for all other natural gas projects
- b) \$6 million for all other fuel types, divided as follows:
 - 1) \$2 million for small business projects (other alternative fuel types, including Level II and DC Fast Charging)
 - 2) \$4 million for all project types (excluding Level II unless small business applicant)

3.1.1 Small Business Qualification

To qualify for funding under the AFFP Small Business allocation, the applicant must be actively registered or certified as one or more of the following **by the program opening date listed on the cover page of this RFGA**:

- a) A small business corporation under Subchapter S of the Internal Revenue Code;
- b) Women-Owned Small Business (WOSB) certified by the U.S. Small Business Administration;
- c) HUBZone Program Certification certified by the U.S. Small Business Administration;
- d) Veteran-Owned Small Business (VOSB) or Service-Disabled Veteran-Owned Small Business certified by the U.S. Small Business Administration;
- e) A Small Business Concern in the System for Award Management (SAM.gov) as defined by the regulations of the U.S. Small Business Administration in 13 C.F.R. Section 121.201.

3.1.2 Maximum Award Amounts

Grant amounts may not exceed:

- a) \$400,000 for an CNG or LNG project;
- b) \$600,000 for a combined CNG and LNG project; or
- c) \$600,000 or 50% of eligible project costs, whichever is less, for fuels other than natural gas.

Except for applications that include a combined CNG and LNG project, an applicant may only include one alternative fuel type per application submission.

Projects that will be adding a new alternative fueling facility to an existing facility will need to apply for the new alternative fueling facility. For example, an existing CNG facility that will be adding an LNG facility would apply as an LNG project with a maximum award amount of \$400,000.

3.2 Eligible Project Costs

Eligible project costs are those that are directly related to the implementation of the project. AFFP grants are provided to offset a portion of eligible project costs. The final contract budget will identify eligible expenses that may be reimbursed.

Eligible project costs include:

- a) **Equipment** – includes tangible personal property having a unit acquisition cost of \$10,000 or more (including sales tax and delivery) with an estimated useful life of over one year. 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 \$10,000 or more. TCEQ will require an itemized invoice and proof of payment for reimbursement of all equipment costs.

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 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 and Materials** – includes non-construction related costs for goods and materials having a unit acquisition cost (including sales tax and delivery) of less than \$10,000 per unit. An itemized invoice and proof of payment will be required for reimbursement of all supplies and materials costs.
- c) **Construction** – includes the costs for the enhancement or building of permanent facilities. Construction costs include:
 - 1) Planning, designing, and engineering;
 - 2) Materials and labor;
 - 3) Subcontracts for services in connection with the construction; and
 - 4) Facility improvements, such as paving, foundations, and covers.
- d) **Contract Services** – includes non-construction related costs for subcontracted or hired-out professional services or tasks provided by a firm or individual who is not employed by the applicant. List each subcontractor/consultant separately.

3.3 Ineligible Project Costs

Ineligible project costs include:

- a) Insurance premiums;
- b) Salaries and travel expenses for employees of the grantee;
- c) Expenses of any lobbyist registered in Texas;
- d) Costs associated with the preparation and submission of the grant application;
- e) Administrative costs of the grantee, including overhead and indirect costs (e.g., office supplies, rent, marketing, and advertising);
- f) Facility improvements and equipment not directly associated with the equipment to store, compress, or dispense the natural gas or alternative fuel;
- g) Purchase of an existing natural gas or alternative fuel fueling facility;
- h) Structure, land, or an interest in land;
- i) Permitting costs for TCEQ-issued permits;
- j) Costs that do not involve an arm's length transaction, such as the use of existing inventory without proof of purchase, equipment manufactured by the grantee, or transactions between affiliated companies; and
- k) Food and drink.

Any cost incurred **before the program opening date listed on the cover page of this RFGA** will not be eligible for funding. TCEQ provides no assurances that a project will be awarded a grant, and an applicant builds at its own risk prior to the execution of a contract.

Grant funds must be spent consistent with all applicable cost principles from 30 TAC 14.10 and the Texas Grant Management Standards (TxGMS). TCEQ encourages applicants to review TxGMS when developing application budgets. TxGMS documents are available on the [Texas Comptroller of Public Accounts website](#).

4.0 Grant Application and Administration

4.1 Application Form

- a) The application and this RFGA may be viewed and downloaded from the TERP website at www.terpgrants.org. Copies of the forms may also be obtained by calling the TERP toll free number at 800-919-TERP (8377).
- b) A Portable Document Format (PDF) version of the draft contract may be viewed and downloaded from the TERP website at www.terpgrants.org. The draft contract is for reference only and contains terms and conditions that are standard provisions for grants awarded under this program. Any requested changes to the draft contract must be received by TCEQ no later than the date of the submission of this application. However, the applicant further understands that TCEQ will not normally change the contract language in response to individual requests from grant recipients and is under no obligation to do so. Requesting to negotiate contract terms may also result in a delay in receiving an award and may result in TCEQ rescinding an award if the parties are not able to come to a mutual agreement. TCEQ reserves the right to modify the draft contract terms as necessary due to statutory, rule, or policy changes. Modifications will be posted to the TERP website at www.terpgrants.org and the ESBD.
- c) All applications for funding must be submitted by the application submission deadline listed on the cover page of the RFGA. An application that is not complete will be ineligible for consideration. A complete application must include:
 - 1) All pages of the application;
 - 2) All required attachments;
 - 3) Applicant's contact information;
 - 4) All required signatures; and
 - 5) All the information for TCEQ to score and rank the project according to the scoring criteria listed in this RFGA.
- d) Applicants must include a site plan with the application. A site plan must include a scaled map of the proposed site using a photograph, satellite map, drawing, or similar graphic. The site plan must show the planning and design of the proposed facility. An arrow or dot drawn on a map is not sufficient and will make an application ineligible. The site plan must:
 - 1) Demonstrate how the public may access the facility, including driveways and facility access points from public roads; and
 - 2) Include the 1/4-mile area around the proposed site and show the location of the amenities that are listed in the application.
- e) Private consultants may be available to assist an applicant to complete and submit an application. TCEQ neither encourages nor discourages the use of a consultant to assist with the application process. Consultants do not represent TCEQ, and TCEQ has no agreements where applications submitted by a particular consultant will receive more favorable treatment than other applications.
- f) The applicant must indicate in the application if the application was prepared by a third party (someone other than the applicant or an employee of an applicant). If a third party prepares the application, the third party must also sign the application. The signature certifies that the information provided in the application is true and correct and as represented to the third party by the applicant. A third party's failure to sign the application or signing it with a false statement may make the application ineligible, may make any resulting contracts voidable, and may subject the third-party preparer to criminal or civil penalties.

- g) By signing the application, the applicant is certifying its understanding and compliance with the statements listed in Sections 4 and 5 of the application, as well as with any state statutes, regulations, policies, guidelines, and requirements as they relate to the application, acceptance, and use of funds for the project. If any of these certifications materially change after submitting the application, the applicant must provide prompt written notification to TCEQ within three (3) business days of becoming aware of the change. Failure to notify TCEQ and/or any changes to an applicant's certifications may make the application ineligible and may make any resulting contracts voidable.

4.2 Application Process

- a) To apply for a grant, applicants must complete and submit an application and all required documents using TCEQ's application submittal process. The link to the application and submittal instructions are available on the [AFFP webpage](https://www.tceq.texas.gov/airquality/terp/affp) at <https://www.tceq.texas.gov/airquality/terp/affp>.
- b) Applications may also be submitted by mailing a physical copy to one of these addresses:

Standard Mail:

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

Express Mail:

Texas Commission on Environmental Quality
Air Grants Division, MC-204 (AFFP)
12100 Park 35 Circle, Building F, 1st Floor, Suite 1301
Austin, TX 78753

- c) 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.

4.3 Selection Process

Applications for eligible projects will be evaluated, scored, and ranked according to the scoring criteria provided below; however, projects that are open to the public will still be prioritized for funding before private facilities.

Project scores and ranking will be based upon the representations made in the application at the time of application submission. If any changes are made to information submitted in the application, and such changes significantly reduce the total project score, TCEQ reserves the right to terminate the resulting contract. Location changes or substitute equipment that change the quality or quantity of scored components in the application, such as a different number of fueling or charging ports, will be rejected by TCEQ if the modified project would no longer have been competitively selected.

Applicants will be subject to the following application selection limitation. If a funding category receives applications requesting more funds than are allocated for the category, even after redistribution as described under Section 3.1 of this RFGA, then no applicant can be awarded more than a total of \$1,200,000 in grant funds under that category type.

For the purposes of this limitation, applicant includes an individual or business and all of its associated legal affiliates. If the selection limitation is necessary, applicants will be awarded up to \$1,200,000 on their top ranked applications. This may result in TCEQ reducing the requested grant amount(s) for one or more applications from an applicant.

4.4 Scoring Criteria – Natural Gas – Proposed Facility Location and Service Capacity (up to 150 points)

Applicants will be scored based upon 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 eligible counties. This category is limited to projects that dispense CNG, LNG, and/or propane. TCEQ will assign scores based on the following factors:

a) Proximity of the facility to existing facilities (maximum of 30 points):

Proposed facilities that are located the furthest away from existing alternative fueling facilities of the same fuel type when compared to all other proposed facilities, will receive the most points. Proposed facilities will be grouped by and compared with facilities of similar fuel capabilities and fuel type. Existing alternative fueling facilities will be determined using data from the U.S. Department of Energy.

b) Average traffic count from the nearest highway traffic nodes (maximum of 30 points):

Facilities nearest to the most heavily traveled traffic nodes, when compared to all other proposed facilities, will receive the most points. The density of traffic along segments of the interstate, U.S., and state highways in Texas will be determined by using the most recently available data collected by the Texas Department of Transportation.

c) Distance from an interstate highway, U.S. highway, or state highway (maximum of 30 points):

The closer a proposed facility is to an existing interstate highway, U.S. highway, or state highway, the higher the score will be, as shown below. If a facility is near multiple highways, TCEQ will use the highest eligible score. Distances will be determined by a direct line starting at the edge of an eligible highway and ending at the proposed facility.

- 1) **Interstate** – 30 points if within 1/4 mile, 15 points if within 1/2 mile, and 10 points if within 1 mile.
- 2) **U.S. highway, state highway** – 15 points if within 1/4 mile, 10 points if within 1/2 mile.

d) Location within the following priority areas (maximum of 10 points)

- 1) Facilities located in the area in and between the Houston, San Antonio, and Dallas-Fort Worth areas; or
- 2) Facilities located in the area in and between the Corpus Christi, Laredo, and San Antonio areas.

e) Number of available fueling ports (maximum of 10 points):

The higher the number of available natural gas fueling ports at a proposed facility, the higher the score. Applicants will receive 1 point per available natural gas fueling port up to a maximum of 10 points even if there are more than 10 available natural gas fueling ports. Applicants that are small businesses will receive 2 points per available fueling port, up to 10 points. The number of fueling ports will be determined by the number of vehicles that can be simultaneously served. If, for example, a proposed facility has multiple nozzles to distribute different fuels but only one can be used at a time, it will count as a single fueling port.

f) Facilities providing multiple fuels (maximum of 20 points):

Proposed facilities that will provide both CNG and LNG will receive 20 points.

g) Existing local amenities nearby (10 points):

Proposed facilities that have an existing amenity onsite or have at least two existing amenities within 1/4 mile of the proposed facility will receive 5 points. Those that have at least two amenities available onsite will receive 10 points. Amenities that will be considered for this criteria are restaurants, hotels, grocery stores, retail shopping, entertainment, parks, municipal, state, or federal buildings, and public restrooms.

h) Hours of operation preference (10 points):

Proposed facilities that commit to remaining open to the public 24 hours per day, 7 days a week, will receive 10 points for this category.

4.5 Scoring Criteria – Fuel Types Other Than Natural Gas – Proposed Facility Location and Service Capacity (up to 150 points)

Applicants will be scored based upon 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 eligible counties. TCEQ will assign scores based on the following factors:

a) Proximity of the facility to existing facilities (maximum of 40 points):

Proposed facilities that are located the furthest away from existing alternative fueling facilities, when compared to all other proposed facilities, will receive the most points. Proposed facilities will be grouped by and compared with facilities of similar fuel capabilities and fuel type. Existing alternative fueling facilities will be determined using data from the U.S. Department of Energy.

b) Average traffic count from the nearest highway traffic nodes (maximum of 40 points):

Facilities nearest to the most heavily traveled traffic nodes, when compared to all other proposed facilities, will receive the most points. The density of traffic along segments of the interstate, U.S., and state highways in Texas will be determined by using the most recently available data collected by the Texas Department of Transportation.

c) Distance from an interstate highway, U.S. highway, or state highway (maximum of 40 points):

The closer a proposed facility is to an existing interstate highway, U.S. highway, or state highway, the higher the score will be, as shown below. If a facility is near multiple highways, TCEQ will use the highest eligible score. Distances will be determined by a direct line starting at the edge of an eligible highway and ending at the proposed facility.

1) **Interstate** – 40 points if within 1/8 mile, 20 points if within 1/4 mile, and 10 points if within 1/2 mile.

2) **U.S. highway, state highway** – 20 points if within 1/4 mile, 10 points if within 1/2 mile.

d) Number of available fueling or charging ports (maximum of 10 points):

The higher the number of available alternative fueling or charging ports at a proposed facility, the higher the score. Applicants will receive 1 point per available alternative fueling or charging port, up to a maximum of 10 points, even if there are more than 10 available fueling or charging ports. Applicants that meet the definition of small businesses will receive 2 points per available fueling or charging port, up to 10 points.

For proposed facilities that are providing electric recharging infrastructure, the points will be determined by the number of EV charging ports, as described by the Department of Energy's Alternative Fuel Data Center, and not by the number of connectors at the site.

For proposed facilities that are dispensing other fuels, the number of fueling ports will be determined by the number of vehicles that can be simultaneously served. If, for example, a service facility has multiple nozzles to distribute different fuels but only one can be used at a time, it will count as a single fueling port.

e) Existing local amenities nearby (10 points):

Proposed facilities that will have an existing amenity onsite or have at least two existing amenities within 1/4 mile of the proposed facility will receive 5 points. Those that have at least two amenities available onsite will receive 10 points. Amenities that will be considered for this criteria are restaurants, hotels, grocery stores, retail shopping, entertainment, parks, municipal, state, or federal buildings, and public restrooms.

f) Hours of operation preference (10 points):

Proposed facilities that commit to remaining open to the public 24 hours per day, 7 days a week, will receive 10 points for this category.

4.6 Additional Considerations

In addition to the selection criteria explained above, and regardless of the scores and ranking assigned to a project, TCEQ may consider the following factors when reviewing applications for grant funding.

- a) TCEQ is not obligated to fund any particular project for any reason or may offer to fund less than the eligible grant amounts for any reason.
- b) TCEQ is not obligated to fund projects from applicants:
 - 1) With an outstanding invoice from TCEQ or who are in non-compliance with existing or prior TERP grants;
 - 2) Where the proposed projects are required by any state or federal law, rule or regulation, memorandum of agreement, or other legally binding contract;
 - 3) Under federal, state, or local enforcement action for violation of environmental laws or permit conditions; or
 - 4) With an overall compliance history classification of Unsatisfactory (greater than 55.00) on TCEQ's Compliance History Database for applicants that are subject to the rating.
- c) TCEQ may also:
 - 1) Require additional conditions or changes to the project pertaining to equipment, logistical considerations, expenses, and other program elements;
 - 2) Make a determination of risks associated with the applicant and/or project and may include additional conditions to the contract to address the identified risks;
 - 3) Determine minimum acceptable scores under each scoring category or factor;
 - 4) Limit or prioritize the number of grants awarded for fueling facilities in a specific area based on the scores assigned to the projects; or
 - 5) Hold applications to be funded at a later date.
- d) If an applicant is applying for the same project under this RFGA and an RFGA under a separate TERP or TxVEMP grant program, funding will only be awarded under the first program that awards a grant for the submitted project.
- e) TCEQ may conduct site visits at any point of the application review process or after award of the grant. Applicants must cooperate with TCEQ, the state of Texas, the State Auditor's Office, and any of their authorized representatives to allow access to all grant-funded refueling infrastructure for the purpose of on-site inspections, and/or audit. Failure to respond to or cooperate with any authorized review, inspection, or audit of the grant-funded refueling infrastructure will result in the application being determined ineligible and make any resulting contract voidable.

4.7 Grant Award and Contracting

Entities selected to receive grant funding will be required to sign a contract with TCEQ. The activities outlined in the entity's application will make up the contract's Scope of Work. Any information submitted in the application regarding **project location, fuel type, and the number of fueling or charging ports** is considered material and will be represented in any resulting contract's Scope of Work. Grant recipients commit to taking all actions necessary to ensure the successful completion of their project within the contract's time frames and funding limitations. Contract changes may only be approved provided that those changes continue to meet all program eligibility requirements and would not significantly reduce the overall project score. Location changes or substitute equipment that change the quality or quantity of scored components in the application will be rejected by TCEQ if the modified project would no longer have been competitively selected. TCEQ reserves the right to terminate the contract for cause for failure to perform the grant activities. TCEQ may also reduce the overall amount of the award based on these changes in accordance with the contract.

Grant recipients also commit to taking all actions necessary to ensure the successful operation of the grant funded equipment within the contract's time frames and funding limitations. TCEQ will enforce the terms and conditions of the contract and may seek the return of funds for non-compliance, as well as civil or criminal penalties for misuse of grant funds or fraud.

4.8 Notice to Proceed

Signing the contract will not be the final commitment required by TCEQ to provide the funds. The grantee must provide the required documentation identified in Section 4.9 below before a Notice to Proceed may be issued by TCEQ. In addition to the required documentation, TCEQ may conduct a site visit prior to issuing the Notice to Proceed. The Notice to Proceed provides the grantee with approval to begin grant activities. Eligible expenses incurred prior to receipt of this notice will be at the grantee's own risk.

4.9 Required Documentation

Unless agreed to in writing by TCEQ, the following documentation must be provided to TCEQ within one year of contract execution.

a) **Proof of Insurance.**

The grantee will be required to show evidence that it has purchased commercial property, general liability, umbrella liability, automobile liability, and worker's compensation and employer's liability insurance policies from insurers who are licensed, eligible, or registered under Texas law, and who have a rating of A- or better and a financial size capacity of IV or better according to the most recent A.M. Best Ratings Guide. These insurance policies must cover the grant-funded equipment to protect against loss or damage, and the grantee must also carry liability damage to protect persons and property. Insurance must be maintained during the entire contract period at the types and levels specified in the contract. Documentation of required insurance coverage must be submitted to TCEQ in accordance with the contract. Self-insurance will not be accepted from non-governmental entities. This is non-negotiable. TCEQ only allows governmental entities to provide proof of self-insurance in lieu of purchasing commercial insurance.

b) **Site-Host Agreement or Site Ownership Documentation.**

The grantee must be able to adequately demonstrate through agreements or other legal documentation that it can construct the proposed facility at the location designated in its application and operate the facility for the duration of the three-year Operation Period.

4.10 Reimbursement of Expenses

- a) Payments will be made on a reimbursement basis for eligible expenses incurred and paid in full by the grantee.
- b) Requests for reimbursement may be submitted to TCEQ no more frequently than monthly. 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. The contract will specify requirements for documenting costs incurred, including providing an itemized invoice and proof of payment documents.
- c) A grantee must identify in the request for reimbursement the total cost of the project and any financial incentive received for the project, such as tax credits or deductions, other grants, or any other public financial assistance. The grant reimbursement amount plus the financial incentive amount cannot exceed 100% of the total cost of the project.
- d) Activities funded under this RFGA must be completed, all costs must be incurred, and final requests for reimbursement must be submitted to TCEQ by the request for reimbursement deadline listed on the cover page of this RFGA. Grantees experiencing project delays may submit a written extension request to TCEQ. TCEQ's approval of extension requests will be provided in writing to the grantee and may depend on factors such as the availability of grant funds.

- e) Unless otherwise approved by TCEQ, TCEQ will withhold 10% of the total grant amount until the facility goes into operation. This amount will be released following approval of the final Implementation Period report and submission of the request for retained funds.
- f) TCEQ may, at its discretion, consider payment of the final reimbursement funds prior to the facility being in operation, if the grantee demonstrates that the project will be completed.

4.11 Performance Evaluation

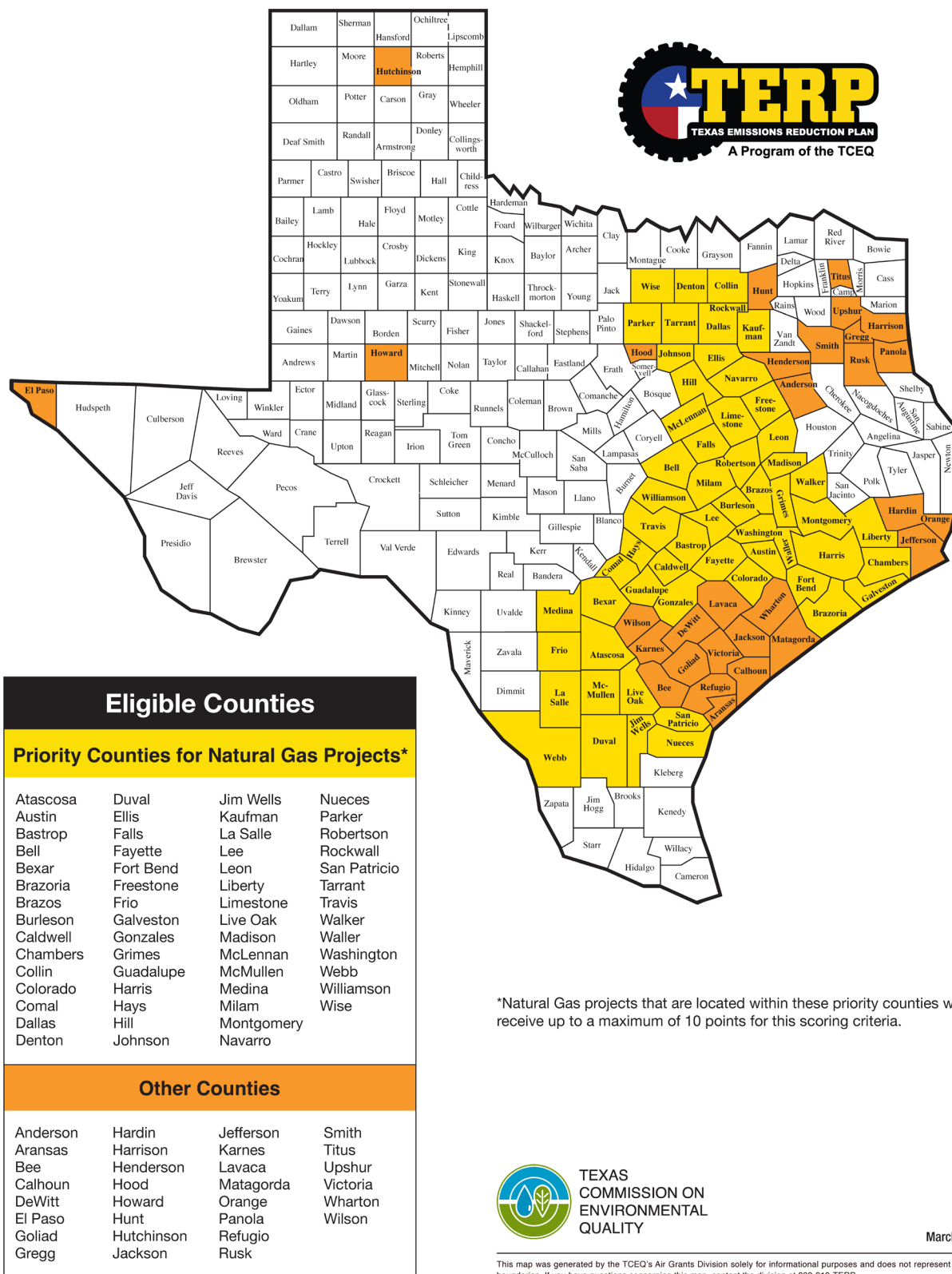
TCEQ may prepare written performance evaluations for grantees upon the completion of the Operation Period, or as needed. Evaluations may be based upon the grantee's compliance with contract terms and providing timely, complete and accurate requests for reimbursement, reports, and deliverables documentation. A grantee's past performance evaluation may be considered when applying for future TCEQ grant programs. 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. Any misuse of the grant funds will be reported as unsatisfactory performance, and the grantee and any involved party will be barred from receiving any other grants. Grantees and any involved party may also be subject to criminal or civil penalties.

4.12 Consideration of Application in the Future Grant Rounds

TCEQ may, at its discretion, retain applications not selected for funding under this RFGA for consideration if additional funding becomes available. Applicants will be notified by TCEQ if their application is retained for consideration and will be given the option of withdrawing their application from consideration.

Appendix A: Map of Eligible Counties in the Clean Transportation Zone

Alternative Fueling Facilities Program



TEXAS
COMMISSION ON
ENVIRONMENTAL
QUALITY

March 2025

This map was generated by the TCEQ's Air Grants Division solely for informational purposes and does not represent property boundaries. If you have questions concerning this map, contact the division at 800-919-TERP.