

**Texas Commission on Environmental Quality  
Texas Volkswagen Environmental Mitigation Program**

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**Light-Duty Zero Emission Vehicles (ZEV) Supply Equipment  
Direct Current Fast Chargers (DCFC) and Hydrogen Dispensing Equipment**

**Request for Grant Applications (RFGA)  
Fiscal Year 2022**

**Solicitation No. 582-22-30556-VW**



<b>Key RFGA Events</b>	<b>Date</b>
RFGA Issued	October 6, 2021
Application Webinar	October 12, 2021
Questions Due to TCEQ	October 18, 2021
Phase No. 1 - Application Period Begins	November 2, 2021
Phase No. 2 - Application Period Begins	December 3, 2021
Solicitation Closes	January 3, 2022

**Texas Commission on Environmental Quality (TCEQ)  
Texas Volkswagen Environmental Mitigation Program (TxVEMP)**

**MC-204**

**P.O. Box 13087**

**Austin, Texas 78711-3087**

**833-215-TXVW (8989)**

TCEQ will host an application webinar on Tuesday, October 12, 2021, at 2:00 p.m. (CST). All applicants are encouraged to attend. Please email [ywsettle@tceq.texas.gov](mailto:ywsettle@tceq.texas.gov) to RSVP. Any questions regarding this solicitation, including technical requirements, the application, and contract terms must be submitted by October 18, 2021. Please email questions to [ywsettle@tceq.texas.gov](mailto:ywsettle@tceq.texas.gov). Responses and any changes to this solicitation will be made through an addendum posted on the Electronic State Business Daily (ESBD).

TCEQ will begin accepting applications for priority consideration under Phase No. 1 of this solicitation on Tuesday, November 2, 2021, at 8:00 a.m. Central Standard Time (CST). Applications received prior to this date and time will not be accepted, held, or otherwise considered for a grant under this solicitation.

Priority consideration under Phase No. 1 will continue until all available funds have been awarded and no later than Thursday, December 2, 2021, at 5:00 p.m. (CST). Should funds remain available, TCEQ will accept additional applications for consideration under Phase No. 2 beginning on Friday, December 3, 2021, at 8:00 a.m. (CST) and closing on Monday, January 3, 2022, at 5:00 p.m. (CST). The award of the grant is dependent upon the availability of funding.

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**Light-Duty Zero Emission Vehicles (ZEV) Supply Equipment  
Direct Current Fast Chargers (DCFC) and Hydrogen Dispensing Equipment  
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Fiscal Year 2022**

**1.0 INVITATION**

The Texas Commission on Environmental Quality (TCEQ) invites applications from persons who wish to purchase and install light-duty zero emission vehicle (ZEV) supply equipment in Texas. Grants will be awarded statewide in accordance with the eligibility and priority requirements specified in this RFGA.

**1.1 PURPOSE**

This grant program implements a portion of the Texas Volkswagen Environmental Mitigation Program (TxVEMP) established and administered by the TCEQ.

Grants under this program are subject to: (1) Texas Water Code Section 5.124 (TCEQ's authority to award grants); (2) the Uniform Grant and Contract Management Act, Texas Government Code, Section 783.001 et seq., and the Texas Uniform Grant Management Standards (UGMS) or its successor guidance, Texas Grant Management Standards, the terms of which shall control effective January 1, 2022; (3) TCEQ rules and policies pertaining to TCEQ contracts and grants; (4) the Environmental Mitigation Trust Agreement for State Beneficiaries (Trust Agreement) and the Beneficiary Mitigation Plan for Texas (RG-537) (Mitigation Plan); (5) this RFGA; and (6) other applicable Federal and State rules and statutes.

**1.2 GOALS AND OBJECTIVES**

The goals of this RFGA are to:

- prepare for and sustain the increased use of light-duty ZEV statewide by providing the public with convenient access to charging equipment;
- ease the range anxiety between the population centers of Texas by providing access to supply equipment along or near interstate, US, and state highways in Texas; and
- to complement other incentive funding programs (e.g. National ZEV Investment Plan and the Texas Emissions Reduction Plan (TERP) Alternative Fueling Facilities Program).

**1.3 PROGRAM GUIDANCE**

The Trust Agreement, Mitigation Plan, application forms, application instructions, draft contract terms and conditions, and this RFGA may be downloaded from the TxVEMP website at <[www.TexasVWFund.org](http://www.TexasVWFund.org)>. The materials may also be obtained by contacting TxVEMP staff at 833-215-TXVW (8989) or via electronic mail to [VWsettle@tceq.texas.gov](mailto:VWsettle@tceq.texas.gov).

## 1.4 ELIGIBLE APPLICANTS

- Applicants are legal entities that may include individuals, corporations, organizations, governments or governmental subdivisions or agencies, business trusts, partnerships, associations, or other legal entities.
- Applicants must be eligible to conduct business in Texas.
- 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. Applicants must disclose known apparent, potential, or actual conflicts of interest to TxVEMP staff.
- The applicant must be the entity that will purchase and own the grant-funded equipment for the life of the 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 site where the equipment is installed provided that the applicant completes and submits the Site Verification Form signed by both the applicant and the site owner, establishing permission to install and operate the grant-funded equipment at the site for the life of the grant.
- Separate application submissions are required for each project site. Only one (1) application may be submitted per email at a maximum size of 25MB.
- During Phase No. 1 of the application submission period, each applicant may submit a maximum of five (5) applications to install eligible light-duty ZEV supply equipment. The term “applicant” refers to a unique legal entity.

## 1.5 ELIGIBLE PROJECTS

- Funding is available statewide for the purchase and installation of the following grant equipment:
  - DCFC light-duty electric vehicle supply equipment in a public place, workplace, or multi-unit dwelling; and
  - light-duty hydrogen fuel cell vehicle supply equipment in a public place.
- To be considered public, the site must be accessible to the general public for users 24-hours per day/seven days per week and have dusk to dawn lighting.
- Equipment must be installed at a location without existing light-duty ZEV supply services or must expand the number of vehicles that may be serviced at an existing site. Funding is not available to replace existing equipment.
- All permits, regulatory authorizations/approvals, utility service connections, and necessary licenses to legally operate in the State of Texas, along with required insurance coverage, must be obtained within a year of executing a contract.
- Should payment be required to access and use the grant-funded equipment, it must be Payment Card Industry compliant to allow use of a credit or debit card. Stations may also offer additional payment methods including subscription

methods, smart cards, or smart phone applications. Real-time pricing and fee information shall be displayed on the unit, payment screen, or associated phone application.

- DCFC light-duty electric vehicle supply equipment must:
  - be rated at a minimum of 50 kW;
  - be compliant with the Americans with Disabilities Act (ADA) recommended charge connect height of less than 48” and greater than 24”;
  - connect to a network by wired ethernet, Wi-Fi, or cellular connection; and
  - use an Open Charge Point Interface (OCPI) protocol to allow subscribers of other electric vehicle charging system networks to access the charging station.
- A DCFC application must include either:
  - at least one Charge de Move (CHAdeMO) connector and one Society of Automotive Engineers Combined Charging System (SAE CCS) charging protocol connector; or
  - if alternative connectors will be included in an application, there must be at least one CHAdeMO and/or SAE CCS charging protocol connector for each alternative connector included in the application.
- Light-duty hydrogen fuel cell vehicle supply equipment must be capable of:
  - dispensing hydrogen at a pressure of 70 megapascals (or analogous successor technologies); and
  - dispensing at least 100 kg per day.

## 1.6 ELIGIBLE GRANT AMOUNTS

- **DCFC Light-Duty Electric Vehicle Supply Equipment**
  - Each individual charging unit qualifies for up to \$150,000 in grant funds. For multiple charging units, grantees may receive up to \$600,000 per project site.
  - Final project grant amounts may not exceed the following maximum percentage of cost limits applied to the actual, eligible project costs:
    - DCFC light-duty electric vehicle supply equipment installed in a public place: 70%
    - DCFC light-duty electric vehicle supply equipment installed in a workplace or multi-unit dwelling: 60%
  - Reimbursable project grant amounts will be the lesser of:
    - the maximum percentage of cost limit applied to the grantee’s actual, eligible project costs;
    - \$150,000 per DCFC charging unit installed; or
    - \$600,000 per project site.

- **Light-Duty Hydrogen Fuel Cell Vehicle Supply Equipment (Public Only)**
  - Applicants may request up to \$600,000 per project site.
  - Grant amounts may not exceed the following maximum percentage of cost limits applied to the actual, eligible project costs:
    - Equipment capable of dispensing at least 250 kilograms (kg) per day: 33%
    - Equipment capable of dispensing at least 100 kg per day: 25%
  - Reimbursable project grant amounts will be the lesser of:
    - the maximum percentage of cost limit applied to the grantee's actual, eligible project costs; or
    - \$600,000.
- **Eligible project costs** are those that are directly connected to the acquisition, installation, operation, and maintenance of new light-duty ZEV supply equipment.

Eligible project costs may include up to \$20,000 per charging unit for the upgrade of off-site power converters (e.g., three-phase power converters) to accommodate the installation of DCFC light-duty ZEV supply equipment.

Eligible project cost categories include:

- **Equipment** includes 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 purchased with grant funds should be budgeted as Equipment if the sum of the separate component parts (including sales tax and delivery) has an original value of \$5,000 or more. Equipment costs that do not involve an arms-length transaction (e.g., use of inventory without a proof of purchase) are not reimbursable.
- **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 \$5,000 per unit.
- **Construction** includes the costs for the enhancement or building of permanent facilities. Construction costs may include:
  - planning, designing, and engineering;
  - materials and labor;
  - subcontracts for services in connection with the construction; and
  - facility improvements, such as paving, foundations, and covers.
- **Contractual** 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. Each subcontractor/consultant should be listed separately.
- **Other** includes costs that do not fall under the equipment, materials and supplies, construction, or contractual categories.

- **Ineligible project costs** include:
  - salaries and travel expenses for employees of the grantee;
  - salaries of any lobbyist registered in Texas;
  - facility improvements and equipment not directly related to the installation of the light-duty ZEV supply equipment;
  - facility, land, or an interest in land;
  - permitting costs for TCEQ-issued permits;
  - other administrative costs of the grantee, including overhead and indirect costs (e.g., office supplies, rent, marketing, and advertising); and
  - food and drink.
- 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 contract, unless and until those activities and expenses are selected for a grant and included under a signed contract.

## **1.7 EQUIPMENT OPERATION REQUIREMENTS**

Grant recipients must maintain the grant-funded light-duty ZEV supply equipment and ensure its operation in accordance with the contract terms and conditions for a period of at least five years from the final reimbursement date.

## **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 THSC Section 386.056; and
- the reductions are permanently retired.

## **1.9 INSURANCE REQUIREMENTS**

The applicant will be required to properly insure the charging equipment against loss or damage, and to carry liability damage to protect persons and property. Insurance must be maintained throughout the term of the contract and the five-year operating period. Documentation of required insurance coverage must be submitted to the TCEQ in accordance with the contract.

## **2.0 AVAILABLE FUNDING**

The total amount to be awarded under this RFGA will depend upon the amount of funds available to the TCEQ under the Trust Agreement and the amount allocated by



the TCEQ to this RFGA. The TCEQ is not obligated to select project proposals to cover the full amount of expected or available funding.

### 3.0 APPLICATION PROCESS

- All applications for funding must be administratively and technically complete. Incomplete applications may be rejected as ineligible or unresponsive.
  - **Required Forms.** Application forms, instructions, and a copy of this RFGA may be downloaded from the TCEQ website at [www.TexasVWFund.org](http://www.TexasVWFund.org), or by contacting TxVEMP staff at (833) 215-TXVM (8989) or [VWsettle@tceq.texas.gov](mailto:VWsettle@tceq.texas.gov).
  - **Application Submission.** To apply for funding, applicants must complete and submit a grant application. Applicants are encouraged to submit applications via e-mail to [VWsettle@tceq.texas.gov](mailto:VWsettle@tceq.texas.gov). Applications may also be submitted to one of the addresses listed below.

**Standard Mail:**

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

**Express Mail:**

Texas Commission on Environmental Quality  
Air Grants Division, TxVEMP, MC-204  
12100 Park 35 Circle, Building F, 1<sup>st</sup> Floor, Suite 1301  
Austin, TX 78753

- A PDF of the draft contract is available on the TxVEMP website at [www.TexasVWFund.org](http://www.TexasVWFund.org). The draft contract is for reference only and contains terms and conditions which are standard provisions for grants awarded under this program. Applicants must identify any concerns with terms and conditions in the draft contract in their completed application. The TCEQ may agree to modify the terms and conditions of the contract under limited circumstances, but the TCEQ will not address concerns that are not identified in the grant application. 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 TxVEMP website and ESB.
- 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.
- Under Section 231.006 of the Texas Family Code, a child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25% is not eligible to receive a state funded grant or loan. All business entities applying for a grant under this RFGA must include in the application the name and social security number of the individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25% of the business entity submitting the application.

- The authorized official submitting the application must also certify to the Program Certifications in the application, including that the individual or business entity named in the application is eligible to receive the grant. Any contract may be terminated, and payment may be withheld if the certification is inaccurate.
- Applicants may not apply or receive funding for the same project and/or activities under the Texas Emissions Reduction Plan grant programs.

#### 4.0 SELECTION CRITERIA

##### 4.1 Primary Criteria

Properly completed applications will be processed for approval in accordance with the eligibility and priority requirements specified below. The application submission period will be divided into **two phases** based on priority considerations:

**Phase No. 1: Priority Projects (November 2, 2021, 8:00 a.m. CST – December 2, 2021, 5:00 p.m. CST)**

During this phase, applications will only be accepted for projects that meet the following priority considerations:

- DCFC light-duty electric vehicle supply equipment:
  - rated at a minimum 150 kW; and
  - installed in a public place and within a half (1/2) mile of an interstate, US, or State Highway, or an emergency evacuation route.
- Light-duty hydrogen fuel cell vehicle supply equipment installed in a location with a demonstrated demand for hydrogen supply services (e.g. fleet agreements).

**Phase No. 2: Other Eligible Projects (December 3, 2021, 8:00 a.m. CST – January 3, 2022, 5:00 p.m. CST)**

During this phase, all eligible project applications may be submitted. Phase 2 is contingent on funds remaining after the completion of Phase 1.

##### 4.2 Additional Criteria

- The TCEQ is not obligated to fund a project from an applicant that has demonstrated marginal or unsatisfactory performance on current or previous grants and contracts with the TCEQ and other state agencies. Not meeting contractual commitments or being invoiced by the TCEQ for a past grant may impact the eligibility of an application submitted under this RFGA.
- The TCEQ is not obligated to fund a project from an applicant that is under federal, state, or local enforcement action for violation of environmental laws or permit conditions.
- The TCEQ is not obligated to fund a project from an applicant with an overall compliance history classification of Unsatisfactory (greater than 55.00) on the TCEQ's Compliance History Database for applicants that are subject to the rating.

## 5.0 GRANT AWARD AND CONTRACTING

Entities selected to receive grant funding will be required to sign a contract with the TCEQ. The activities outlined in the entity's application will be represented in the Contract's Scope of Work. Grant recipients commit to taking all actions necessary to ensure the successful completion of its project and subsequent operation of the grant funded equipment within the Contract's time frames and funding limitations.

In order to monitor the grantee's progress during the contract, the TCEQ will require quarterly progress reports and may audit a grantee's progress at any time during the grant. Submission of the quarterly project reports and adherence to the Scope of Work due dates are material to the successful performance of the grant activities. Failure to meet contractual time frames may result in the termination of the contract.

## 6.0 REIMBURSEMENT OF EXPENSES

- Payments will be made on a reimbursement basis for expenses incurred and paid directly by the grant recipient for the purchase and installation of light-duty ZEV supply equipment. To be considered "incurred and paid," the equipment must be received, installed, and operational and all invoices paid by the grant recipient.
- A summary of all expenses, invoices, and proof of payment must be submitted with the request for reimbursement. Those forms will also be available on the TxVEMP website at [www.TexasVWFund.org](http://www.TexasVWFund.org).
- The TCEQ will reimburse the grant recipient for no more than maximum funding amounts established by the TCEQ for that type of activity as established in Section 1.6.
- Any existing financial incentive that directly reduces the cost of the proposed activity, such as tax credits or deductions, other grants, or any other public financial assistance must be accounted for in the request for reimbursement. The grant reimbursement plus financial incentives must not exceed 100% of the total cost of the proposed activity.
- Reimbursement will be disbursed via check issued by Wilmington Trust, N.A., the Trustee of the Volkswagen Settlement Trust, as directed by TCEQ. Wilmington Trust, N.A., is not liable for any losses or damage in connection with any actions it takes or does not take as Trustee or as Disburser.
- Activities funded under this RFGA must be completed by the Purchase Expiration Date as specified in the contract, 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 as soon as the grantee becomes aware of the delay.
- The request for reimbursement must be submitted by the Purchase Expiration Date.

## **7.0 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.