TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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October 28, 2021

ADDENDUM NUMBER 2
TO
SOLICITATION NO. 582-22-30556
FOR
TEXAS VOLKSWAGEN ENVIRONMENTAL MITIGATION PROGRAM (TXVEMP) LIGHT-DUTY ZERO EMISSION VEHICLES (ZEV) SUPPLY EQUIPMENT DIRECT CURRENT FAST CHARGERS (DCFC) AND HYDROGEN DISPENSING EQUIPMENT

LISTED BELOW ARE THE CHANGES/ADDITIONS TO THIS SOLICITATION.

ISSUED BY: Dorothy Maxson 10/28/2021

Dorothy Maxson, Contract Specialist — Date

ADDENDUM № 2
**** Important Notice to Applicants ****
SOLICITATION NO.: **582-22-30556**
FOR
LIGHT-DUTY ZERO EMISSION VEHICLES (ZEV) SUPPLY EQUIPMENT DIRECT CURRENT FAST CHARGERS (DCFC) AND HYDROGEN DISPENSING EQUIPMENT

This Addendum serves to incorporate changes into the Solicitation Documents.

Public Comments/Questions and TCEQ Responses:

1. Would potential applicants request, as maybe phase 2(?) items listed under eligible project costs without including one or more DCFS units?

   TCEQ Response - No, eligible project costs are those that are directly connected to the acquisition, installation, operation, and maintenance of new light-duty ZEV supply equipment. (RFGA, Section 1.6 Eligible Grant Amounts).

2. If one did apply for the DCFCs and project costs are they mandated by contract contains to operate the units within the 5-year timeframe or merely construct / build them?

   TCEQ Response – Construction must be complete within 2 years after the grant is awarded. Then, 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. (RFGA, Section 1.7 Equipment Operation Requirements)

3. The Site Verification form says that the Property Owner provides "consent to the installation of the electric vehicle charging stations(s) or hydrogen dispensing equipment at the aforementioned property." By signing this language, The Owner gives right to either EVSE or Hydrogen Equipment. But what if, they only want us to install EVSEs and not Hydrogen equipment. How do you suggest we handle that? Can we use a different form with the same language, but with 'hydrogen' language stuff removed?

   TCEQ Response – The Site Verification Form may be used interchangeably for ***either*** Direct Current Fast Charge (DCFC) Electric Vehicle Supply Equipment (EVSE) ***or*** hydrogen dispensing equipment. You may indicate the type of project included in the application on the Site Verification Form by circling and/or striking through “electric vehicle charging station(s)” or “hydrogen dispensing equipment”.

4. If a site is a parking garage that is open to the public 24/7 but charges a fee to enter and park, is this considered "Public" for purposes of grant eligibility?

   TCEQ Response – Yes, so long as the project and project site meet the requirements of the RFGA, Section 1.5 Eligible Projects.

5. We are looking for some guidance on how to handle a property that is in transition? We are working with a developer who is acquiring a corridor site on which he will be placing EV charging stations, among other things. We are not sure if the deal will close before grant applications so we would like to make sure we are prepared either way. Does it make sense to have the current owner provide the access agreement/permission to install & operate, or is there another way you would like for us to handle this for purposes of the application?

   TCEQ Response – The Site Verification Form should be signed by the property owner at the time of application.

6. In eligible projects criteria it is stated the equipment must “Be located within one-half mile of an interstate, U.S. or state highway, or an emergency evacuation route.” We have a potential facility that is located on an NTTA Tollway, specifically […]. More specifically, the equipment would be located at coordinates […]. The confusion I wish to clear is if the NTTA Tollway falls within the allowed definition quoted above.

   TCEQ Response – Yes, tollways may be included in the definition of an Interstate, US, or State Highway, or an emergency evacuation route.

7. I would like to get charging stations in the City of Kempner, both at city hall and in our park. We are on State Highway 190 which is the future route of Interstate 14 and I think this will be essential infrastructure to our community. Please let us know how we can move forward with getting this funding.

   TCEQ Response – Please refer to the RFGA for information on eligible applicants, projects, and grant amounts, the application process, and selection criteria. Please note that the application submission period will be divided into **two** phases. DCFC projects must be rated at 150 kW, installed in a public place, and within a (1/2) mile of an Interstate, US, or State Highway, or an emergency evacuation route, to be considered under Phase No. 1. Other eligible projects may be considered under Phase No. 2.

8. We are building some new convenience stores in the San Antonio area and are interested in finding out more info about possible EV charging system grants. We have started construction on a store at […].

   TCEQ Response – Please refer to the RFGA for information on eligible applicants, projects, and grant amounts, the application process, and selection criteria. 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. (RFGA, Section 1.6 Eligible Grant Amount)

9. We are working with several applicants as third-party preparers and have the following question: Form 3 – If the equipment being installed on the site is the same make/model/power output (ex. Qty 2 DCFC 150kW), is it necessary to type "2 activities" or is it necessary to fill out multiple form 3?

   TCEQ Response – Please complete a separate Form 3 for each DCFC charging unit included in the application.

10. We are working with several applicants as third-party preparers and have the following question: Form 4 - Budget Estimate: where does Warranty and Network estimates belong? A. Equipment Cost, B. Construction Cost, Supplies Materials Cost, or C. Contract Services Cost? The RFGA lists an "other" category but this is not listed on Form 4.

    TCEQ Response - Warranty and network costs may be included under Equipment Costs.

11. We are working with several applicants as third-party preparers and have the following question: Form 10 - Summary Page: Should this address match project site, entity mailing address, or designated location for records?

    TCEQ Response – The address field on the Summary Page should auto-populate for applicants completing the form electronically. If completing the form manually, please enter the mailing address for the Designated Project Representative in this field

12. We are working with several applicants as third-party preparers and have the following question: Will it be acceptable for the third-party preparer to submit a completed and signed application with all supporting docs on behalf of the site owner and CC the authorized official?

    TCEQ Response – Yes, a third-party preparer may submit the application on behalf of an applicant, provided the applicant has signed all applicable forms. Please copy the applicant on the email submission.

13. We are working with several applicants as third-party preparers and have the following question: If an application is submitted on Nov 2, when should the applicant expect a decision response?

    TCEQ Response – Staff will review applications as they come in as expeditiously as possible. The timing of award notifications will depend on the volume of applications received.

14. We are working with several applicants as third-party preparers and have the following question: Please advise where we can locate the sample award contract - we were unable to locate it on the website.

    TCEQ Response – You can find the Example Contract on the program webpage; www.TexasVWFund.org, Grants, DC Fast Charge, under *Step 1: Determine if you and your project are eligible*

15. For the DCFC Grant, if awarded what is the latest construction can be started? Also, when must the construction be done?

    TCEQ Response – 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. (RFGA, Section 1.5 Eligible Projects) The grant-funded equipment must be fully operational within 24 months of the contract execution date. (Contract Shell, Article 4, Contract Period)

16. I am with the Port of Corpus Christi and we are looking to purchasing an EVArc charger, which would be 100% solar powered. As this is a unique charging device, I have some questions regarding the compatibility with this grant. This charging unit, including the solar panels and car chargers, will be mobile. By using a forklift the entire set-up can be easily relocated. This being said, we plan to keep it in one place, but since it has the potential to be moved, will it still be eligible for this grant?

    TCEQ Response – Yes, so long as the equipment meets the requirements of the RFGA, Section 1.5 Eligible Projects and Section 1.7 Equipment Operation Requirements.

17. I am with the Port of Corpus Christi and we are looking to purchasing an EVArc charger, which would be 100% solar powered. As this is a unique charging device, I have some questions regarding the compatibility with this grant. Can you give some clarification on the requirement that it is within a half-mile of a highway? The location we have planned for is within a half-mile radius, however, when mapping out the directions along the roads, the total distance to drive is just over half a mile.

    TCEQ Response – Distance is measured as a straight line from the location site to the highway.

18. On Form 4: Budget Estimate, which category does Network Fees fall under? Equipment, Construction, Supplies/Materials, or Contract Services?

    TCEQ Response – Network fees may be included under Equipment Costs.

19. We currently have the ability to provide hydrogen for a City Bus fleet. Would this qualify? It is also a dedicated demand that helps drive adoption?

    TCEQ Response – The TCEQ may consider the installation of hydrogen dispensing equipment used by a bus fleet that provides public transportation provided the project meets the requirements of the RFGA, Section 1.5 Eligible Projects.

20. Power sharing is a common feature of many DCFC solutions. If a grant application for 2 DCFC were capable of providing at least 150 kW charging for a single vehicle and an average of 100 kW simultaneous charging for two vehicles, would that be considered meeting the 150kW requirement? Please see below for two different examples of how power sharing has been addressed by other Volkswagen Settlement funded grant programs:

    a. Colorado Energy Office Alt Fuels Corridors Grant Program: Stations with two DCFC must be capable of providing at least 150 kW charging for a single vehicle and at least 50 kW simultaneous charging for two vehicles. Stations with four DCFC must be capable of providing at least 150 kW simultaneous charging for two vehicles and at least 50 kW simultaneous charging for four vehicles.

    b. NYSERDA PON 4509: Each site must accommodate simultaneous charging for at least 4 vehicles and have a total delivery capacity of 400 kW or more (based on 4 DCFC EVSE). Sites must allow for 4 vehicles charging simultaneously at a rate of at least 400 kW total, or an average of at least 100 kW per plug.

    TCEQ Response – Each dispensing unit or charge post must be capable of providing up to 150 kW of charging. This capacity may be shared if that single unit may service more than a single vehicle (e.g., 75 kW to two vehicles utilizing the same unit or charge post).

21. Page 4 of the RFGA states: 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. Can you please clarify what an "off-site power converter" is? What is considered on-site versus off-site?

    TCEQ Response – The RFGA, Section 1.6 Eligible Grant Amounts, has been addended to clarify that "off-site costs include those costs related to upgrading the electrical service to provide sufficient electrical capacity for the site." For example, the installation of a three-phase power converter. On-site costs would include the costs to install and operate the grant-funded equipment at the project site.

22. Can you please confirm that it's okay for a 3rd party preparer to submit the application on behalf of the applicant? The Designated Project Representative and/or Authorized Official would be copied on the email submission as well.

    TCEQ Response – Yes, a third-party preparer may submit the application on behalf of an applicant, provided the applicant has signed all applicable forms. Please copy the applicant in the email submission.

23. We are looking to apply for some funding under the TxVEMP and are considering a DCFC that is powered by a generator. The main purpose of this is that a site that we are looking at does not have enough power capacity to allow it to be included in the building and it would be easier to operate the charger on a generator. This would reduce the impact to the grid while also ensuring that our charger is available to use at all time, even during a blackout. 1) Would the total cost of the generator and charger be allowed to be applied for under the Light Duty Electric Supply grant? 2) Would it be allowed to utilize the generator for back-up power to the building in the event of an emergency or can the generator only be used for the DCFC to qualify for this grant? 3) Would we

be able to tie into the generator to the building after 5 years when the funding reporting requirements end?

TCEQ Response – This configuration may be considered under the program but there may be other regulatory concerns related to the continuous operation of a generator. 1) Eligible project costs are those that are directly connected to the acquisition, installation, operation, and maintenance of new light-duty ZEV supply equipment. (RFGA, Section 1.6 Eligible Grant Amounts). Funding for this configuration would be limited to a generator appropriately sized to supply only enough power required for the DCFC units included in the project application. 2) No, supplying power to buildings or other equipment not directly related to the DCFC units or other required onsite structures (e.g., lighting) is not within the scope of this program. 3) 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. (RFGA, Section 1.7 Equipment Operation Requirements). The grantee would be able to tie the generator into the building once the five-year commitment has been reached.

24. Good afternoon, the way that the TECQ DC Fast Charge grant program reads, each unit would have to have at least 150kW output. There is a product on the market called the Charge Point Express Plus, this is actually a unit that has no power capability by itself, it is actually connected to a separate "power block" that holds individual power modules with the capability of delivering 350kW of output. Now the power module themselves are each 62.5kW and are plug and play, meaning that they can be removed or added to the individual power blocks.

    TCEQ Response – Each dispensing unit or charge post must be capable of providing a charge rate of up to 150 kW. This capacity may be shared if that single unit may service more than a single vehicle (e.g., 75 kW to two vehicles utilizing the same unit or charge post). Design and implementation of the project site is at the discretion of the applicant.

25. For Hydrogen projects, please clarify if Hydrogen Grants can be used by a bus fleet that provides public transportation services. The design would include an outlet for public Hydrogen fueling. For example, ~200kg/day for bus fleet with ~100kg/day additional capacity for public vehicles.

    TCEQ Response – The TCEQ may consider the installation of hydrogen dispensing equipment used by a bus fleet that provides public transportation provided the project meets the requirements of the RFGA, Section 1.5 Eligible Projects.

26. For EV Charging projects, on Form 3 Question 1: It shows each charger should support a minimum 150kW per hour but on the call it was mentioned on the call that each charger should be able to support 150kW minutes. Can you please clarify which of the 3 scenarios below are required:

    a. Scenario 1: 6 x 150kW chargers running in parallel = 25kW Charging Capacity each with one 150kW line.

        i. 150 kW spread evenly and 150kW of power available onsite

    b. Scenario 2: 6 x 150kW chargers running in parallel = 50kW Charging each

        i. 50kW being the minimum power and 300kW power input required to be maintained

    c. Scenario 3: 6 x 150kW chargers running in parallel = 150kW Charging each

        i. 150kW each and 900kW power required at site

    TCEQ Response – Each dispensing unit or charge post must be capable of providing up to 150 kW

of charging to be considered under Phase No. 1 of the application submission period. This capacity may be shared if that single unit may service more than a single vehicle (e.g., 75 kW to two vehicles utilizing the same unit or charge post).

27. For battery storage options, what are the requirements to support a Battery Storage EV Charging solution? (e.g. Incoming Energy, kWh Storage, and C-Rate of Battery)

    a. Scenario 1: Battery must be able to support sustained 75kWh (Example amount) charging per 150kW charging station at all times.

        i. E.g. 2x 75kWh (150kWh) 2C battery banks per charger with 75kW power incoming from the electrical grid.

    b. Scenario 2: Battery must support a minimum 75kWh charging per each 150kW charger with minimum incoming onsite power 15kW.

        i. E.g. 30 minutes charging at 150kW for 75kWh capacity, available every 5 hours.

    c. Scenario 3: Battery must be able to support 150kW power output per station with minimum onsite power 15kW.

        i. E.g. 2x 15kWh high C-Rate battery that supports 150kW for 6 minutes, available every Hour.

    TCEQ Response – This is beyond the scope of this solicitation.

28. How often do batteries need to be charged for use from incoming electrical grid?

    a. Scenario 1: Batteries must be able to discharge 150kWh capacity 3 times a day over an 10 hour window = ~45kW of power supply for battery charging required.

    TCEQ Response – This is beyond the scope of this solicitation.

29. How should costs for equipment that will serve funded and non-funded connectors be accounted for? Can we capture the entire cost for funding or a portion of the cost?

    TCEQ Response – TCEQ may consider costs that overlap between the installation of eligible vs. non-eligible units and/or funded vs. non-funded units such as off-site costs related to upgrading the electrical service to provide sufficient electrical capacity for the site and construction costs. Proposed eligible projects costs must be clearly identified and supported with documentation in the project application. Eligible costs will be verified at the time of reimbursement and all incurred costs must be clearly documented.

30. One question that we have as we build out our strategy for publicizing the grant is whether or not the grant is applicable to previously-completed projects. I'm not seeing any information on the site about completion date for projects (looking forward) and was wondering if the grant is also applicable to projects that were completed in the past. If that is the case, how far back does eligibility reach?

    TCEQ Response – This grant does not apply to any projects completed or begun prior to the issuance of the RFGA. 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. (RFGA, Section 1.6 Eligible Grant Amounts)

31. Is it required to include a detailed quote from a vendor and specifications on the application, or we can just include estimated cost for equipment, construction and supplies/materials?

TCEQ Response – An itemized price quote is required to support the numbers provided on Form 4: Budget Estimate.

32. Do we need to include engineering design and drawings with our application?

    TCEQ Response – No, required attachments are identified in the Application Checklist and Application Instructions.

33. Do we need to specify the precise make and model of the charger that will be installed on campus?

    TCEQ Response – Yes, you will need to identify a specific make and model in the project application. The make and model listed in the application should match the price quote provided.

34. Due to uncertain supply chain issues within the country, what happens if we are unable to obtain the parts from the manufacturer specified in the application, and we want to go with different type of charging station?

    TCEQ Response – A grantee is not required to purchase the same make and model of equipment that was included in the project application. Grantees are encouraged to work with the TCEQ to ensure that the equipment being purchased, if different than the application, meets program requirements.

35. Due to uncertain supply chain issues within the country, what happens if we estimate the project too low and find out later it's too expensive and LSC does not want to move forward?

    TCEQ Response – Grantees may terminate a grant contract at any time without penalty.