



Freight Transportation Projects at California Seaports

Pre-Application Workshop

GFO-15-604

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Agenda

Welcome and Introductions

Grant Funding Opportunity Overview

Questions and Answers

Adjournment



Assembly Bill 8

(Perea, Chapter 401, Statutes of 2013)

- Extends ARFVTP funding through January 1, 2024 at \$100 million / year
- Transform California's transportation market into a diverse collection of alternative fuels and technologies and reduce California's dependence on petroleum.
- “...develop and deploy innovative technologies that transform California’s fuel and vehicle types to help attain the state’s climate change policies.” (Health and Safety Code Section 44272(a))



Key Drivers

Policy Objectives	Policy Origin	Goals and Milestones
Greenhouse Gas Reduction	AB 32 EO S-3-05 EO B-30-15	Reduce GHG to 1990 levels by 2020 Reduce GHG to 80% below 1990 levels by 2050 Reduce GHG to 40% below 1990 levels by 2030
ZEV Mandate	EO B-16-2012	Expand use of ZEV technologies in freight sector
California Sustainable Freight Strategy	EO B-32-15	Improve freight efficiency and transition freight movement to zero-emission technologies
Air Quality	Clean Air Act	80% reduction in NO _x by 2023



Commitment to Diversity

The Energy Commission adopted a resolution on April 8, 2015, to firmly commit to increase:

- Participation of women, minority, disabled veteran and LBGT business enterprises in program funding opportunities
- Outreach and participation by disadvantaged communities
- Diversity in participation at Energy Commission proceedings
- Diversity in employment and promotional opportunities



Why is Diversity Important?

Fairness – Increase funding accessibility to all Californians

Inclusion – Small businesses make up a significant portion of the US economy

Job Creation – Projects can create jobs for residents of under-served communities

Diversity of Ideas – Great ideas occur in a variety of areas

Diversity in Communities' Needs – Needs vary widely from one area to the next (air quality, socioeconomic, etc.)



Solicitation Purpose

- Demonstrate freight transportation projects (FTP) for medium- and heavy-duty (MHD) vehicle technologies.
- Demonstrate intelligent transportation systems and technologies (ITS).
- Deploy natural gas vehicles (NGV).
- Projects funded under this solicitation must enhance market acceptance and deployment of advanced vehicle technologies that will reduce greenhouse gas (GHG) emissions, reduce petroleum use, and benefit disadvantaged communities (DAC).



Funding

Total Funding Available -- \$17,805,625

\$13,805,625 for MHD Vehicle Demonstration Projects

\$2,000,000 for ITS Demonstration Projects

\$2,000,000 for NGV Deployment Projects

Total Funding Request per Application -- \$7,000,000

\$5,000,000 for MHD Vehicle Demonstration Projects

\$1,000,000 for ITS Demonstration Projects

\$1,000,000 for NGV Deployment Projects



Funding (cont.)

- 25% match share of the total project costs can include cash, or cash and in-kind.

Example:

CEC Reimbursement	Required 25% Match	Total Project Cost
\$4,500,000	\$1,500,000	\$6,000,000

- **NOTE:** Greenhouse Gas Reduction Fund (GGRF) monies and Energy Commission funding may ***not*** be used as match share.
- Energy Commission reserves the right to increase / decrease total funding amount.



Funding (cont.)

NGV Deployment Funding

The per vehicle funding amount, by gross vehicle weight (GVW), for NGV Deployment projects are as follows:

Gross Vehicle Weight Category	Maximum Amount/NGV
8,501 – 16,000 lbs.	\$6,000
16,001 – 26,000 lbs.	\$11,000
26,001 – 33,000 lbs.	\$20,000
33,001 and greater lbs.	\$25,000

Low NOx engines may be commercially available in 2016. If an Applicant indicates in their Application that NGVs will be purchased with a low NOx engine, an additional 25% will be added to the maximum funding amount for the eligible vehicle category on a per vehicle basis. For example, a 10,000 GVW NGV would be eligible for a \$7,500 incentive.

Low NOx engine refers to ARBs adopted optional low NOx engines with NOx emissions of 0.02 grams per brake horsepower-hour or less.



Eligible Applicants

Eligible applicants are limited to California seaports and operators and tenants at those seaports:

Port of Benicia

Port of Humboldt Bay

Port of Los Angeles

Port of Redwood City

Port of West Sacramento

Port of San Francisco

Port of Hueneme

Port of Long Beach

Port of Oakland

Port of Richmond

Port of San Diego

Port of Stockton

(Source: <http://www.dot.ca.gov/hq/tpp/offices/ogm/seaports.html>)



Project Requirements

All projects must be for freight transportation projects associated with one or more eligible seaports.

MHD Vehicle Demonstrations -- Projects must:

- Field demonstrate in California Class 3 through Class 8 vehicles having GVWR of 10,001 lbs. or greater.
- Have a pre-commercial, alternative fuel, engine or propulsion or propulsion component technology.
- Be limited to on- or off-road vehicle technologies to prove or validate their technical or market viability prior to commercial vehicle or component production.
- Include new or repowered vehicle technologies.
- Demonstrate vehicles for at least one year.



Project Requirements (cont.)

Ineligible MHD Demonstration project types:

- Paper studies (e.g., feasibility studies)
- Surveys
- Research
- Development of first vehicle prototypes
- Non-field vehicle demonstration
- Prototype testing to meet certification protocol
- Buses
- Commercially available technologies (i.e. for sale)
- Other activities not directly related to freight



Project Requirements (cont.)

ITS Demonstrations -- Projects must:

- Demonstrate technologies that will impact Class 3 through Class 8 vehicles having GVWR of 10,001 lbs. or greater.
- Demonstrate ITS technologies for at least one year.
- Result in a measurable reduction of vehicle emissions at the ports and nearby communities.

Eligible ITS project types may include, but are not limited to:

- Connected vehicles.
- Technologies that reduce idling and emissions of on-road goods movement vehicles.
- Transportation management systems that improve traffic at port gates and terminals.

Ineligible ITS project Types:

- Paper studies (e.g., feasibility studies), surveys, research, non-field vehicle demonstration, commercially available technologies (i.e. for sale)



Project Requirements

NGV Deployments -- Projects must:

- Be limited to new, on-road natural gas medium- or heavy duty-vehicle with GVWR of 8,501 lbs. or greater.
- Meet all emission requirements of the California Air Resources Board (ARB).
- Be on the list of vehicles certified or approved for sale for model year 2014 or newer. The ARB maintains a complete list of all vehicles and engines that are certified and approved for sale in California that can be found at <http://www.arb.ca.gov/msprog/onroad/cert/cert.php>.
- Be registered with the California Department of Motor Vehicles and operate on natural gas in California at least 90 percent of the time for at least 3 years.
- May be used in combination with other NGV purchase incentives up to the differential price of the NGV compared to its gasoline or diesel vehicle counterpart.



Project Requirements

Ineligible NGV projects:

- Non-commercially available NGV or technology.
- Transit buses. For purposes of this solicitation, a “transit bus” means the same as defined in California Vehicle Code Section 642.
- A new gasoline or diesel vehicle that is purchased and then retrofitted by the owner with an after-market natural gas conversion kit.



Disadvantaged Communities

- Projects must achieve reductions in GHG and pollutant emissions that benefit disadvantaged communities (DAC).
- All Applications must identify and describe how the project benefits DAC.
- The CalEnviroScreen 2.0 tool will be used by the Energy Commission to identify DACs and maximize the benefits to these communities from this solicitation. All applications must use the CalEnviroScreen tool to identify and verify how their projects benefit DAC.

(Source: <http://oehha.ca.gov/ej/ces2.html>)



Application Requirements (Section III)

- **Application Form:** Must include a complete and signed Application Form (Attachment 01).
- **Executive Summary:** Must include project description, project goals, and measurable objectives to be achieved (1 page limit).
- **Resumes:** Application must include current resumes detailing relevant experience of each key team personnel (2 page limit per resume).
- **Project Narrative:** Provide written and detailed description of the proposed project, goals and objectives, and explanation of implementation (20 page limit).
- **Project Narrative:** Discuss Project Team, Innovation, Implementation, Budget, Economic Benefits, and Environmental Benefits, Scope of Work, and Schedule of Products and Due Dates.
- **Scope of Work:** Attachments 02 and 03.



Application Requirements (cont.)

- **Schedule of Products and Due Dates:** All work must be scheduled for completion by March 31, 2020; (Attachment 04).
- **Budget Forms:** Attachment 05.
- **Contacts List:** Attachment 06.
- **Letter(s) of Support/Commitment:** 1 page limit each.
- **CEQA Compliance Form:** The Energy Commission requires this information to assist its own determination under CEQA (Attachment 07).
- **Local Health Impacts Information:** The Energy Commission requires this information to comply with the Air Quality Guidelines for the ARFVTP (Attachment 08).



California Environmental Quality Act

- All projects are subject to CEQA review.
- Applicants are strongly encouraged to identify the appropriate Lead Agency with authority to determine CEQA compliance.
- Applicants must comply with CEQA within 6 months of Notice of Proposed Award (NOPA) release.
- The extent of CEQA compliance will be evaluated in Technical Scoring Criteria.
- No project can be approved at an Energy Commission Business Meeting without documented CEQA compliance.



Project Selection and Award

- Competitive grant selection process.
- Must pass Administrative Screening Criteria and Scoring Criteria.
- Must achieve a score of at least 70% (70 of 100 total points) to be considered for funding.
- Proposals ranked and recommended for funding according to overall score.
- Results released through a published NOPA.
- Energy Commission will finalize agreement documents.
- Agreement presented at a Business Meeting for approval.



Grounds to Reject Application or Cancel an Award

- Application contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the applicant.
- Application is intended to erroneously and fallaciously mislead the State in its evaluation and the attribute, condition, or capability is a requirement of this solicitation.
- Application does not literally comply or contains caveats that conflict with the solicitation, and the variation or deviation is material.
- Applicant has previously received funding through a Public Interest Energy Research (PIER) agreement, has received the PIER royalty review letter (which the Energy Commission annually sends out to remind past recipients of their obligations to pay royalties), and has not responded to the letter or is otherwise not in compliance with repaying royalties.



Grounds to Reject Application or Cancel an Award (cont.)

- Applicant has received unsatisfactory evaluations from the Energy Commission or another California state agency.
- Applicant is a business entity that is not in good standing with the California Secretary of State.
- Applicant has not demonstrated that it has the financial capability to complete the project.
- Application is not submitted in the format specified in Section III of the solicitation.



Scoring Criteria

Criteria	Points
1. Project Team	10
2. Innovation	20
3. Implementation	20
4. Budget	15
5. Economic Benefits	15
6. Environmental Benefits	<u>20</u>
Total	100
Minimum Passing (70%)	70



Schedule

Solicitation Release	January 7, 2016
Pre-Application Workshop	January 15, 2016
Deadline for Questions	January 19, 2016
Distribute Answers	February 1, 2016
Application Deadline by <u>5:00 pm</u>	March 10, 2016
Post Notice of Proposed Awards	March 2015
Commission Business Meeting	May 11, 2016



Questions

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Recommend all questions be submitted in writing and emailed.