

FY 2021-22 and FY 2022-23 GRANT SOLICITATION
Advanced Technology Demonstration and Pilot Projects

Mobile Source Control Division
California Air Resources Board
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California Air Resources Board

Advanced Technology Demonstration and Pilot Projects

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I. SUMMARY

If you need this document in an alternate format or language, please contact Earl Landberg, the Solicitation Lead, at earl.landberg@arb.ca.gov. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

The California Air Resources Board (CARB or the Board) is soliciting for several Grantees to implement and administer the projects eligible for Advanced Technology Demonstration and Pilot Project program (referred to as Program or ATDPP) under the Fiscal Year (FY) 2021-22 Funding Plan for Clean Transportation Incentives (FY 2021-22 Funding Plan) and the FY 2022-23 Funding Plan for Clean Transportation Incentives (FY 2022-23 Funding Plan). On November 19, 2021, the Board approved \$40 million for the Program for five project categories allocated under the FY 2021-22 Funding Plan. Then on November 17, 2022, the Board approved an additional \$135 million for the Program allocated under the FY 2022-23 Funding Plan. These two Program funding allocations have been combined under this Solicitation. Additionally, \$50 million in funding from the California Energy Commission (CEC) is included in this Solicitation to support infrastructure.

CARB's goal under this Solicitation is to support a wide array of zero-emission off-road equipment and vessel projects as well as Green Zones, which has a very broad scope and is focused on supporting broad and creative roads to zero-emission adoption at the municipal level.

The Program is intended to strategically accelerate the advancement of innovative and economically viable technologies into the commercial marketplace while also supporting the State's equity and emission reduction goals. The Program helps to achieve these goals by funding projects that help guide development by encouraging the economic and environmental benefits of the projects. Historically, 99 percent of demonstration and pilot project funds have gone to projects located in priority populations or to projects that benefit priority populations.

Projects funded under this Solicitation can support both pre-commercial technologies that are not yet offered for sale in the marketplace as well those commercial technologies that have already been deployed into the marketplace. All work must be completed and the CARB approved final report must be submitted to CARB by March 15, 2027. Complete applications must be submitted no later than 5:00 PM Pacific Daylight Time (PDT) on **October 12, 2023** (the "Application Deadline").

This Solicitation uses the process established under Assembly Bill 118 (AB 118) Air Quality Improvement Program (AQIP) with project funds coming from two sources, which are the Cap--and--Trade auction proceeds deposited into the Greenhouse Gas Reduction Fund (GGRF) as part of the California Climate Investments (CCI) and the State's General Fund. The Program is intended to fund a wide array of technologies that further the purposes of Assembly Bill (AB) 32 (Nuñez, Chapter 488, Statutes of 2006), the more recent SB 32 (Pavley, Chapter 249, Statutes of 2016), which codified a 2030 Greenhouse Gas (GHG) emissions

reduction target of 40 percent below 1990 levels, and SB 1 (Beall, Chapter 5, Statutes of 2017). This competitive Solicitation is for a grantee, which can be a California based public agency or California based non-profit organizations that demonstrates the requisite administrative and technical expertise in overseeing large scale advanced technology deployments and professional relationships with prospective project partners (manufacturers, end-users fleets, communities).

II. BACKGROUND

There are several key pieces of legislation that provide the overall policy framework and funding to support Advanced Technology Demonstration and Pilot Projects. In 2007, Governor Schwarzenegger signed into law the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007* (AB 118, Statutes of 2007, Chapter 750). AB 118 created the Air Quality Improvement Program (AQIP), a voluntary incentive program implemented by CARB, to fund clean vehicle and equipment projects, air quality research, and workforce training and development.

As required in Health and Safety Code (HSC) Section 44274(a), the Board adopted regulatory guidelines in 2009 for AQIP. The Guidelines for the AB 118 Air Quality Improvement Program (AQIP Guidelines) define the overall administrative requirements, policies, and procedures for program implementation based on the framework established in statute.

In 2012, the legislature passed, and Governor Brown signed into law three bills – AB 1532 (Pérez, Chapter 807), SB 535 (de León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39) – that established the Greenhouse Gas Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and to provide the framework for how the auction proceeds will be administered to further the purposes of AB 32. Cap-and-Trade auction proceeds have been appropriated to CARB for Low Carbon Transportation projects that reduce greenhouse gas (GHG) emissions, with an emphasis on investments that benefit the State’s priority populations. Per statute, these funds must be used to further the purposes of AB 32. The Low Carbon Transportation investments build upon and greatly expand existing advanced technology and clean transportation programs, which provide mobile source incentives to reduce criteria pollutant, air toxic, and GHG emissions.

The Board, on November 19, 2021, approved the FY 2021-22 Funding Plan, and included \$40 million allocated to Advanced Technology Demonstration and Pilot Projects. Further, the Board approved the FY 2022-23 Funding Plan on November 17, 2022, which allocated \$135 million for projects of which all funding will be available in this Solicitation.

AB 179 (Ting, Chapter 249, Budget Act of 2022) provides guidance, the legislation states that in awarding funds, the Board shall consider prioritizing projects based on maximizing emission reductions consistent with the Commercial Harbor Craft regulation. The Board shall prioritize private ferry operators regulated by the Public Utilities Commission, public ferries, licensed commercial passenger fishing vessels, research vessels, and excursion vessels. Therefore, funding will be prioritized to support the above listed vessels. However, all vessels

impacted by the Commercial Harbor Craft regulation will be eligible.

III. AVAILABLE FUNDING

Each fiscal year, CARB staff submits a proposed funding plan to the Board for approval that serves as the blueprint for expending GGRF, AQIP, and other funds appropriated to CARB in the State budget for Low Carbon Transportation and related investments. The annual funding plan establishes CARB's priorities for the funding cycle, describes the projects CARB intends to fund, and sets funding targets for each project. Funding is provided for projects that support evolution through three phases of technology advancement: demonstration, commercialization, and transition to widespread deployment.

For FY 2021-22, the Legislature appropriated \$838 million from the State General Fund and \$595 million from the GGRF for the Low Carbon Transportation Program to continue and build on investments from previous years. The budget appropriation explicitly allocates \$40 million for the ATDPP. For FY 2022-23, the budget appropriation explicitly allocates \$135 million for projects of which all funding will be available in this Solicitation. Project implementation costs for this Solicitation exceed 8 percent of the project amount funded by CARB.

There will be \$75 million allocated for demonstration and pilot projects from the FY 2022-23 Funding Plan allocation – this includes the proposed \$53 million General Fund line item for Emerging Opportunities and \$22 million from Low Carbon Transportation Investments.

Additionally, \$60 million for Commercial Harbor Craft regulatory support as appropriated in AB 179 – this includes \$40 million General Fund and \$20 million in GGRF. CARB will require that funding under this category support the cleanest available technology for each vessel type while also bringing the vessel into compliance with the Commercial Harbor Craft regulation.

If additional funds become available, such as funds from the Budget Act of 2021 as amended by Senate Bill (SB) 129 (Skinner, Chapter 69, Statutes of 2021) and SB 170 (Skinner, Chapter 240, Statutes of 2021) for drayage truck pilots, those funds can be used to support similar projects or scaleup a project in this Solicitation.

For this Solicitation, CARB will be collaborating with the California Energy Commissions (CEC) for additional funding towards infrastructure needs. The additional funding from the CEC may be used to support projects awarded under this Solicitation, and those projects must be consistent with the HSC Section 44272. Assembly Bill 211 (Committee on Budget, Chapter 574, Statutes of 2022) provides funding to support "emerging opportunities" of which \$50 million will be available in this Solicitation.

Table 1: Fiscal Year 2021-22 and FY 2022-23 Advanced Technology Demonstration and Pilot Projects Funding*

<u>CARB/CEC Contribution</u>	<u>Funding Allocation</u>
CARB FY 2021-22 Funding Plan	\$40 Million
CARB FY 2022-23 Funding Plan	\$135 Million (\$60 Million set aside for Commercial Harbor Craft only)
CEC	\$50 Million (For Infrastructure only consistent with SB 170 Section 40 and HSC 44272 requirements)

* Funding amounts are subject to change at CARB’s sole discretion if funding becomes available.

Stacking of other grant funds are allowed, where consistent with applicable law, as follows.

Funds from the Volkswagen (VW) Environmental Mitigation Trust Fund can be used as either match or as project funds. All VW Environmental Mitigation Trust requirements need to be met such as scrappage, in addition to requirements found in this Solicitation. VW Environmental Mitigation Trust dollars in the marine sector can only be used to repower ferries, tugs, and tow boats.

The Clean Off-Road Equipment Voucher Incentive Project (CORE) can be used to stack with Commercial Harbor Craft projects and can only be used by microbusiness or small business as described in Section IV Required Matching Funds.

Where allowed by applicable law, the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) may be used as co-funding if allowed by that program and emission reductions contractually required by the Carl Moyer Program are maintained. Carl Moyer Program requirements will apply. A Carl Moyer award (executed contract) will need to be in place before any grant agreement from this Solicitation is executed.

Federal, local and other state funds can be used as match. The Grantee is liable for any match proposed in an application regardless of which project partner is proposing the use of match funds. At CARB’s discretion and upon approval by CARB, the preliminary award letter resulting from this Solicitation, may be used in federal applications as a cost share if funding is confirmed.

The Funding Plan¹ provides additional information on the FY 2021-22 projects categories and requirements for technical project implementation. The FY 2022-23 Funding Plan for Clean Transportation Incentives outlines the allocation for ATDPP for the new fiscal year and the project categories.

IV. REQUIRED MATCHING FUNDS

The Grantee and project partners are required to provide match funding. Minimum match funding will be based on a ratio determined by the size of the business for the identified end user or primary technology developer in the grant application. The three business size categories for project partners are micro businesses, small businesses, and all other businesses, which are defined below. Any proposed match funding from a government source must be stated clearly in the grant application and must be requested from the relevant entity before the grant application is submitted. Proof of submission must be included in the grant application. Match funding must be awarded before grant execution of any demonstration or pilot project.

Micro Business: An independently owned and operated California based business with 25 or fewer employees having less than \$5 million in annual gross receipts averaged over the last three tax years. Match required is a minimum of 3:20 or 15% of the proposed total project cost.

Small Business: An independently owned and operated California based business with 100 or fewer employees having less than \$15 million in annual gross receipts averaged over the last three tax years. Match requirement is a minimum of 3:1 or 25% of the total project cost.

All other businesses: Non-California based business of any size or California based with more than 100 employees and more than \$15 million in annual gross receipts over the last three tax years. Match requirement is a minimum of 1:1 or 50% of the total project cost.

Total project cost is the sum of CARB's contribution and the sum of any match that is being applied.

Only applications that meet the minimum match amount will be scored and applicants must show proof of business size, with a statement in the project narrative as to the average annual gross receipts and number of employees over calendar years 2020, 2021, and 2022. Documentation can also include a California Small Business certification, a business license,

¹ California Air Resources Board Funding Plan FY 2021-22 can be found in archive at <https://ww2.arb.ca.gov/resources/documents/low-carbon-transportation-investments-and-aqip-funding-plan-archive> and the FY 2022-23 Funding Plan can be found at <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>

registration with the United States General Services Administration, or registration through the United States Small Business Administration.

Match funding must be provided in the following manner:

- A minimum of 10 percent of the Total Project Cost must be in the form of cash committed by the Grantee, federal and local public agencies, project partners, and/or technology manufacturer (exclusive of providing in-kind contributions). Cash includes labor and capital outlays that occur during the term of the Grant Agreement. Currently budgeted and programmed Federal funds may be considered as cash.

The remaining portion of the match may be through some combination of in-kind contributions committed by the Grantee, federal and local public agencies, project partners, and/or technology manufacturer such as equipment, materials, consumables, equipment transportation, private financing, labor and federal or state funds. Public funds committed as part of an in-kind match cannot be sourced from GGRF except for CORE funds used as part of a CHC application. If an application proposes to use an award of funding from another state agency as a portion of their in-kind match, the award letter for those funds must be included as part of the application (see Appendix A, Attachment 4). Funds expended by project partners in support of United States Coast Guard (USCG) approval even before the submission of the application for funding can count as in-kind contribution (e.g., if USCG approval is for the vessel build or repower that is the subject of the funding request). It is the Grantee's sole responsibility to ensure that it continues to comply with its obligations under any other grant program. Nothing stated in this Solicitation releases or replaces any of Grantee's existing or future obligations with respect to any other grant programs.

Project facilities, laboratories, docks, hangers, or property will not be considered as part of a proposed in-kind match whether owned or leased by the Grantee or technology manufacturer.

If the project uses assets that have or will be funded in whole or part by other public incentive programs and is still under contractual obligations, its incentive program status must be clearly identified in the project's narrative. Additionally, the project narrative must include a plan to ensure that emission reductions required by any incentive program's contract or grant are considered and accounted for (see Appendix A, Attachment 2).

The applicant may propose to use in-kind matching funds for administrative activities, if selected for funding, to be performed after the issuance of a preliminary award of funding and before the execution of the project's grant agreement. Grant funds may only be used for work performed and expenditures incurred after full execution of the Grant Agreement. The Grantee will be expected to use its own funding or authorized matching funds to cover any expenditures incurred or work performed after selection but before the grant agreement is fully executed. Such activities may include completing California Environmental Quality Act (CEQA) requirements, entering into sub--agreements with technology manufacturers and end-users, and performing other activities required by the prospective grantee, to enter into

the grant agreement. However, an applicant does this at its own risk and with no guarantee that a grant agreement will be executed. CARB will not reimburse the prospective grantee for any costs incurred before the grant agreement is executed.

If a third-party, (i.e., a party other than the Grantee or technology manufacturer) proposes to provide any part of the required match, the Grantee must include a letter from each third-party- stating that it is committed to providing a specific dollar value, the source of those funds and a statement that the company will uphold its commitment even if there is change in company management or purchase by another company. Match letters from third-party participants must be signed by someone who has the authority to commit those funds and will be considered binding on the applicant. Letters that do not have specific dollar amounts may not be considered.

Match contribution letters from public agencies that require approval from their governing board but do not have such approval at the time of application is submitted must be clearly documented in the match letter. CARB will consider such contributions as pending in the application review. For applications selected for a preliminary award, Grantees will be required to show governing board approval of all proposed match funding before grant agreement execution. Match letters that do not meet these match letter requirements may not be considered.

A Grantee and its partners must demonstrate technical and fiscal resources sufficient to meet their cost share commitment and complete the proposed project. A Grantee will be liable for all the match that is proposed in an application even if a project partner terminates its participation in the project. Companies that terminate their participation in a project, after grant execution, may not be eligible for future Advanced Technology Demonstration and Pilot Project programs.

V. TERMS OF THE AGREEMENT AND OPTIONS TO EXTEND

The Grant "Term" for the Grant Agreement between CARB and the Grantee will be from the date of grant execution (by all parties) until March 15, 2027, with CARB retaining the option to extend the Grant Agreement as long as the funding remains encumbered and funds remain available.

Additional CEC Requirements:

- **Time is of the essence.** Additional funding from the CEC available under this Solicitation have an encumbrance deadline of June 30, 2024, which the CEC must meet in order to avoid expiration of the funds. This means that the CEC must approve proposed awards at a business meeting (usually held monthly) prior to June 30, 2024, in order to avoid expiration of the funds. Prior to approval and encumbrance, the CEC must comply with CEQA. To comply with CEQA, the CEC must have CEQA-related information from applicants and sometimes other entities, such as local governments, in a timely manner. Unfortunately, even with this information, the CEC may not be able to complete its CEQA review prior to the encumbrance deadline for every project. For

example, if a project requires an Environmental Impact Report, the process to complete it can take many months. For these reasons, it is critical that applicants organize project proposals in a manner that minimizes the time required for the CEC to comply with CEQA and provide all CEQA-related information to the CEC in a timely manner such that the CEC is able to complete its review in time for it to meet its encumbrance deadline.

- **Reservation of right to cancel proposed award.** In addition to any other right reserved to it under this Solicitation or that it otherwise has, the CEC reserves the right to cancel a proposed award if it determines, in its sole and absolute discretion, that the CEQA review associated with a proposed project would not likely be completed prior to the encumbrance deadline referenced above, and that the CEC's ability to meet its encumbrance deadline may thereby be jeopardized. In this instance, the CEC may cancel the proposed award and award funds to the next highest scoring applicant, regardless of the originally proposed applicant's diligence in submitting information and materials for CEQA review.

VI. ELIGIBILITY

This competitive Solicitation is open to California-based public entities (e.g., public agencies, municipalities, counties, cities, special districts), or California-based non-profit organizations with experience in administering large scale air pollution control projects. Specific requirements for the Grantee are described in this Solicitation Grant Agreement (see Appendix B). The Program's third-party administrator (Program administrator) will not be eligible to be a technical grantee for any project selected for funding under any ATDPP technical Solicitation while still the Solicitation Program's administrator.

To be considered for the grant award, applicants must fully complete the Application (Appendix A) and all elements set forth in Section X, Required Elements of this Solicitation. CARB may request clarification regarding application responses during the application review process. Responses to clarifying questions will not be considered for scoring but will become part of the application and incorporated by reference in the grant agreement if a proposal is selected for funding.

If the applicant is anticipating subcontracting or project partners, the relationships must be disclosed in the Application. If subcontractor(s) or project partners are subject to a public process for approval, that process must be fully disclosed in the application, including who must approve contracts, the process for approval, and the anticipated timelines for approvals. Subcontractors or project partners used for administration must also be able to fulfill all requirements of the Grant Agreement and must be either a public entity, community organization or a California -based non-profit organization with experience in administering

large scale air pollution control projects. All disclosures required of applicants are also required of subcontractors and project partners at the time of Application submission.

Applicants are not allowed to submit multiple applications for the same project or similar projects. If more than one application is received for the same project, the one that was received last will be considered.

All applicants that are non-profit organizations are considered conducting intrastate business in California, and are, therefore, required to be registered and in good standing with the California Secretary of State prior to submitting an application in response to this Solicitation. Additional information can be found on the Secretary of State website at www.sos.ca.gov.

The Grantee will be required to submit a resolution of its governing board prior to execution of the Grant Agreement that commits the agency/organization to:

- Comply with the requirements of this Solicitation,
- Accept the Grant funds from CARB and/or CEC, and
- Allocate any funding that the Grantee has committed to be part of a project application.

It is recommended that the resolution allow for grant amendments without governing board approval, if possible. If the public agency or non-profit organization does not have a governing board, then a binding written commitment from an official of the agency that has authority to enter into contractual obligations will be required to fulfill the above commitments.

If the applicant who is submitting the application contributes a match to the project, the governing board resolution (if no governing board then the written commitment) shall authorize the agency's or organization's legally authorized official to supply sufficient funding to meet the stated match commitment. Signed Grant Agreements and approved governing board resolutions/written commitments need to be in place on or before any work can begin on the project.

VII. RESPONSIBILITIES OF GRANTEE, TECHNOLOGY MANUFACTURER END USERS AND DATA COLLECTOR

The Grantee will be responsible for administration of the demonstration or pilot project, working closely with the Program administrator, and major responsibilities will include:

- Ongoing coordination and collaboration with the Program Administrator to keep the project on schedule
- Develop project team including technology manufacturer, end-users and data collection and analysis providers;
- Fulfill all obligations under the Grant Agreement, including the application;
- Administer, manage and carry out the project;
- Ensure that all funded vehicles, equipment and vessels have required logos affixed.

- Grantee will enter into agreements with all project partners and supply those executed agreements to CARB. Those agreements need to pass down all applicable requirements found in the Grant Agreement between CARB and the Grantee. CARB will determine which Grant Agreement provisions are applicable.
- Ongoing community engagement
- Coordination of press releases and press events with the Program administrator, CARB and if applicable the CEC before release;
- Ensure completion of CEQA requirements;
- Timely perform all deliverables within project budget limits, timely complete all milestones and deliverables; ensure matching funds are expended within budget limits, for the use intended and on time;
- Report to CARB, the Program administrator, and if applicable the CEC on project status, Grant performance, and match expenditure;
- Submit periodic reports and Grant disbursement requests to CARB, the Program administrator, and if applicable the CEC;
- Ensure purchase, installation, and maintenance of data logging or other data collection equipment, where required in the Grant Agreement;
- Submit data, as requested by CARB the Program administrator, and if applicable the CEC;
- Coordinate periodic project status update meetings; and
- Set up, attend, and participate in all Critical Project Review Meetings
 - Each project must have at least one Critical Project Review meeting at a major milestone, CARB and the CEC can add additional Critical Project Review meetings as they deem necessary. The Critical Project Review meeting is CARB's and the CEC's opportunity to query project partners about the status of the project and decide if the project merits continuation to completion. CARB and the CEC can terminate a project if it is determined there is a low level of confidence that the project will complete on time and with the benefits outlined in the application. The Critical Project Review meetings will be the responsibility of the Grantee to organize and execute.

As a project partner (contractor or subgrantee), the technology manufacturer's major responsibilities in the project (if applicable) will include:

- Providing the technical expertise in performance of the demonstration or pilot
- Coordination with CARB, the Program administrator, the CEC, Grantee, and other project partners on data to be collected;
- Apply best engineering practices and good governance.

As a project partner or subcontractor, the end-user's main responsibilities include:

- Demonstrating funded technologies during data collection periods
- Prompt reporting to the Grantee any issues that arise that can affect the completion of the project including delays in the timeline, permitting issues, loss of critical workers, and other events that will have an impact on the project.

- Support Grantee and data collection
- Report to Grantee any requested data needs.

As a project partner or subcontractor, the data collection and analysis provider's major responsibilities in a proposed project will include:

- Installation and maintenance of data collection equipment on advanced technology and baseline vehicles, equipment and facilities;
- Coordination with CARB, the CEC, Grantee, and other project partners on data to be collected; and
- Collection, analysis, and reporting of collected data.

Progress reports will be submitted from all project partners (contractors or subgrantees) to the Grantee at a minimum of three-month intervals. The Grantee is responsible for forwarding all progress reports, unaltered, to CARB, the Program administrator, and if applicable the CEC within seven business days of receipt (see Reporting and Documenting Expenditure of State Funds in Section 9 of sample grant agreement). Additionally, every Grant disbursement request shall be accompanied by a progress report, in addition to any other required reports, that documents the time interval, expenditure of match funds and the completion of specific project milestones, including any specific deliverables as defined for that milestone. To ensure consistent data analysis across all CARB funded projects, specific data elements will be required to be collected and required formats are listed in Appendix F, Data Collection Requirements.

Data collection will be required throughout the project, and the data gathered will be required to be submitted to CARB, the Program administrator, and if applicable the CEC periodically and as part of project milestones and periodic project update reports. The Grantee must coordinate installation of data logging or other equipment to facilitate data collection. The type of data to be collected includes, but is not limited to, fuel/electricity consumption and cost, fueling/charging times, state of charge information for battery and fuel cell electric vehicles and equipment, odometer readings, scheduled and unscheduled maintenance information, relevant telematics and GPS data, operating costs, hours of operation, vehicle and equipment idle times, temperatures, facility efficiency improvement metrics, and end user experience. Data collection and emission testing will also be required for baseline vehicles and equipment where non-zero-emission vehicles and equipment is being deployed as part of the project. The applicant should suggest a minimum number of baseline vehicles, vessels or equipment that will be outfitted with data collection equipment in their submittal. The Grantee will ensure that the data collection and analysis provider will have access to representative baseline vehicles and equipment with comparable duty-cycles. Emission testing protocols will be approved by CARB, at its sole discretion. For more details, please see Appendix F, Data Collection Requirements.

A final report must be submitted to CARB by the Grantee at the conclusion of the project. The project will not be complete until the final report has been accepted by CARB. The final report will include but is not limited to: a summary of the progress reports, any deliverables that were committed to in the project, the results from any emission testing performed, and

any other information required by CARB. The draft final report is due to CARB no later than January 2, 2027, and the final report to CARB no later than March 15, 2027 (see Sample Grant Agreement, Appendix B). CARB and the CEC retains the right to withhold up to 10 percent of the total award amount until delivery of the final report.

Additional reporting requirements are detailed in the Reporting and Documenting Expenditure of State Funds section of the sample grant agreement.

CEC funded projects must comply with the SB 170 Section 4(h) data collection requirements referenced in this Solicitation and listed in the CEC Scope of Work (CEC Exhibit A) for CEC reporting purposes.

VIII. ELIGIBLE PROJECTS

A. Overview

CARB's goal is to encourage industry to invent, develop, test, and introduce cutting edge emission reducing technologies. Elements of an eligible project can include but is not limited to advanced technology for commercial and pre-commercial zero and near-zero emission on-road or off-road vehicles, vessels, and equipment, supported with new or innovative systems or infrastructure (e.g., energy generation and storage, facilities improvements, system efficiency upgrades and strategies), education and outreach, and workforce development.

Projects will fund a variety of technologies and strategies designed to:

- Provide direct GHG, criteria, and toxic pollutant emission reductions;
- Synergistically demonstrate the practicality and economic viability of deploying system and energy efficiencies alongside multiple zero- and near zero-emission vehicles and equipment along with necessary infrastructure;
- Demonstrate the potential for widespread commercial acceptance of the various types of zero- and near zero-emission vehicles, vessels, and equipment; and
- Accelerate commercialization of zero- and near zero-emission vehicles, vessels, and other equipment technologies.

B. Eligible Projects

Most projects covered by this Solicitation require the development and use of zero- or near zero-emission advanced technologies that achieve significant reductions in GHG and co-pollutant emissions, directly benefitting priority populations. To determine whether a project location qualifies as benefitting a priority population, such as a disadvantaged or low-income community the California Climate Investments Priority Populations Map is available at: <https://webmaps.arb.ca.gov/PriorityPopulations/> and Section E below provides further guidance.

All projects that receive GGRF will be required to provide GHG emission reductions. Fuel alone cannot be the only source of GHG emission reductions.

The majority of the Program's funds will be utilized as grants to eligible applicants to support applications for funding that result from this open Solicitation for advanced technologies. Five project categories from the FY 2021-22 Funding Plan are eligible for this Solicitation and require that all projects benefit priority populations, projects include:

- **Municipal Green Zones:** Zero-emission holistic projects that could be focused on almost any operations within a city, municipality, or group of cities that currently use combustion technologies in carrying out the duties of the municipality, supporting broad and creative paths to zero-emission vehicle and equipment adoption.
 - Project proposals for this category will need to request at minimum \$750,000 in funding as the intent is for this category to demonstrate potentially more than one zero-emission technology or strategy(ies) perhaps encompassing more than one neighborhood.
- **Resilient Zero-Emission Vessel Charging Project:** Deployment of on-site renewable power generation to provide renewable charging or refueling for zero-emission capable commercial harbor craft.
- **Modular Zero-Emission Capable Cargo Handling Equipment Demonstration:** Build and deploy zero-emission cargo handling equipment, such as container handling or bulk equipment, or other off-road equipment that would be designed with modular powertrains and energy systems to facilitate the transition to full zero-emission operations as technology evolves.
- **Emission Reductions from Ocean Going Vessels:**
 - Funding to demonstrate the feasibility of hydrogen fuel cells to replace auxiliary engine operations on an ocean-going vessel while at berth or anchor.
 - Demonstrate a hydrogen fuel cell or other low carbon technology to power a shore power barge which could be used to provide shore power to berths without such equipment or to shore power capable vessels at anchor.
 - Barge mounted capture and control systems for ocean going vessels at berth or anchor.
- **Zero-Emission Intrastate Line Haul Locomotive:** Demonstrate a zero-emission locomotive that can operate in intrastate line haul operations such as a port-railyard route without requiring additional diesel locomotives in the consist.

Seven project categories from the FY 2022-23 Funding Plan are eligible under this Solicitation. Although some project categories outlined below do not need to benefit priority populations to be eligible, projects that benefit priority populations will score higher than those that do not.

- **Green Zones:** Zero-emission holistic projects that could be focused on almost any operations within a city, municipality, or group of cities that currently use combustion technologies in carrying out the duties of the municipality. Projects will showcase zero--emission technologies while overcoming challenges to adoption through activities such as streamlining infrastructure permitting and determining what systems need to be in place for a municipality to foster widespread zero-emission technology adoption. Projects must directly reduce emissions but may also include funding to

support a robust local public process, updates to local ordinances and other requirements, and should encourage other cities to adopt Green Zone policies within their jurisdictions. Projects could include roadway and vehicle telematics, targeted incentives for public and private vehicles, large scale zero-emission commercial lawn and garden equipment for schools and/or parks and recreation departments, zero-emission construction equipment, zero-emission waste collection and other functions that are performed by a municipality that can be converted to zero-emission. Projects in this category will score higher if they are located in or benefit a priority population.

- Project proposals for this category will need to request at minimum \$750,000 in funding as the intent is for this category to demonstrate potentially more than one zero-emission technology or strategy(ies) perhaps encompassing more than one neighborhood.
- **Zero-Emission Rail:** Demonstration or pilot of zero-emission rail technologies that can operate in intrastate line haul, short haul, and switcher operations without requiring additional diesel locomotives in the consist. Projects in this category will be required to be located in or benefit a priority population.
- **Zero-Emission Capable Commercial Harbor Craft:** Demonstration or pilot of zero -emission capable commercial harbor craft with a focus on California small businesses. Projects in this category will be required to be located in or benefit a priority population either as defined by CalEnviroScreen 4.0 or as defined in CARB’s Commercial Harbor Craft regulation.
- **Port Vehicles and Equipment:** Demonstration and pilot of on-road trucks engaged in drayage service and cargo handling equipment used at ports. Projects in this category will be required to be located in or benefit a priority population.
- **Zero-Emission Aviation and Ground Support Equipment:** Demonstration and pilot of zero-emission aircraft and ground support equipment. Focus will be on aircraft for short-haul routes within California and support equipment. Projects in this category will be required to be located in or benefit a priority population.
- **Off-Road Construction and Agriculture Equipment:** Demonstration and pilot of zero--emission construction and agriculture equipment along with supporting infrastructure. Demonstration of advanced technologies and pilots for larger scale deployments of zero-emission equipment will be supported. Projects in this category will score higher if they are located in or benefit a priority population.
- **Tier-4 Commercial Harbor Craft:** Projects that maximize emission reductions from vessels subject to CARB’s Commercial Harbor Craft regulation. A portion of the funding will be prioritized for private ferry operators regulated by CPUC, and the remaining funding will be prioritized for public ferries, licensed commercial passenger fishing vessels, research vessels and excursion vessels. Technologies can include Tier-4 engines with diesel particulate filters, or zero-emission capable marine technologies. The Legislature’s \$60 million allocation will be used to support this project category, which includes \$20 million from GGRF which will require some projects funded under this category to also provide GHG emission reductions. Projects in this category will

score higher if they are located in or benefit a priority population either as defined by CalEnviroScreen 4.0 or as defined in CARB's Commercial Harbor Craft regulation.

AB 179 requires CARB to prioritize five vessel types for funding, however all vessels that are under the Commercial Harbor Craft regulation are eligible for funding. The five priority vessel types are: private ferry operators regulated by the Public Utilities Commission, public ferries, licensed commercial passenger fishing vessels, research vessels, and excursion vessels. Funding from AB 179 will be allocated to the following vessel types as follows:

- Private Ferries: up to \$21.5 million
- Public Ferries: up to \$10.5 Million
- Commercial Passenger Fishing Vessels: up to \$17 million
- Research Vessels: up to \$4,000,000
- Excursion Vessels: up to \$7,000,000

If funding from one vessel category is not fully expended, CARB retains the ability to use funds allocated to other priority vessel types or non-priority vessel types as needed to maximize emission reductions and exhaust available funds. If additional funds become available for commercial harbor craft regulatory compliance beyond what has been allocated CARB reserves the right to fund additional project applications resulting from this solicitation without having to reissue a solicitation.

Commercial passenger fishing vessels, that seek an engine repower, need to show in the application that they have been operated for at least 30 days over the last year to be eligible for funding.

Practical field demonstrations are required for vehicles or vessels funded under this Solicitation. A grantee cap will be applied to the funds available under this Solicitation as follows: no single project may be awarded more than \$50 million of the funding under this Solicitation.

C. Eligible Technologies

Eligible projects can include all of the vehicle, vessel and equipment technologies that are discussed in the FY 2021-22 and FY 2022-23 Funding Plan. This includes technologies that are not commercially available and still in the development phase but will be commercially available at least three years after the end of the project, as well as technologies that are currently commercially available.

The current state of advanced technology in any one vocation or duty cycle will be considered the baseline for funding eligibility. If a technology is proposed that does not fit into this technological hierarchy, staff retains the discretion to not include it as part of the project.

Below are some practical examples of this technological hierarchy:

- **Green Zones:** A municipality could propose a plan to foster widespread zero-emission technology adoption. This plan could include deployment of zero-emission vehicles

and equipment with supporting infrastructure that supports creative pathways to zero-emission adoption. Any proposed Green Zones project needs to result in a shareable plan to help other municipalities transition to zero-emission. Almost any source category is eligible for funding and can include, infrastructure, zero-emission delivery zones, vehicle, equipment, or vessel charging or refueling and any action that the municipality currently does with combustion technologies that can be converted to zero-emission such as transit, school buses, parks and recreation equipment and others.

- **Yard Trucks:** Zero-emission battery-electric yard trucks are offered for sale by major manufacturers. Therefore, the only eligible technology for use in yard trucks is zero-emission. If a proposed project elects to include in their application a proposal for yard trucks using internal combustion engine technology a compelling case must be made in the Project Narrative, why zero-emission technologies are not feasible in the intended application.
- **Locomotives:** The current state of locomotive technology is US EPA tier-4 emission levels; however, CARB is only soliciting for zero-emission technologies for locomotive. Combustion technologies in the locomotive category will not be eligible for funding.
- **Commercial Harbor Craft:** CARB will require that Commercial Harbor Craft funding under this category support the cleanest available technology for each vessel type while also bringing the vessel into compliance with the Commercial Harbor Craft regulation. For commercial passenger fishing vessels in which upgrading to Tier 4 in combination with Diesel Particulate Filter (DPF) aftertreatment would require vessel replacement, a Tier 3 engine repower would be eligible for funding. For other regulated vessel categories where Tier 4 engines in combination with DPF aftertreatment are not available in the needed engine power category, Tier 3 engines + DPF would be eligible for funding.

Regardless of the technological hierarchy, any proposed technology for use in vehicles or pieces of equipment must get GHG emission reductions if supported by GGRF funds. Technologies that by themselves do not provide a GHG benefit, but solely rely on the use of renewable fuel for their GHG emission reductions will not be considered an eligible project under this Solicitation.

D. Other Eligible Project Components

In order to facilitate bold transformations, infrastructure to support advanced technology vehicles and equipment is an important component. Charging infrastructure for many vehicles and equipment applications is not yet standardized, making interoperability between different manufactures challenging. Charging and refueling infrastructure (e.g., hydrogen refueling station) is an eligible expense for projects funded under this Solicitation, and their use with advanced technology vehicles and equipment must help further the infrastructure standardization efforts to facilitate ubiquitous heavy-duty vehicle and equipment charging.

Other project components can include:

- Technologies that support ships at berth, including shore power and bonnet systems;

- Fueling infrastructure to support project vehicles and equipment, including, but not limited to, hydrogen fueling infrastructure and charging infrastructure;
- Renewable power generation and energy storage systems to support vehicle and equipment fuel generation and freight facility operations and manage energy demand; and
- Green Zones projects can support studies, robust public processes, outreach, and planning efforts that can be used by other municipalities to support Green Zone projects.
- System efficiency upgrades, including process improvements such as preferential queuing and operational strategies are eligible for funding.
- Fueling and charging infrastructure to facilitate the successful demonstration of vehicle and equipment technologies and logistics/operations efficiency improvements may also be included as an eligible expense.

E. Priority Population Component

The eligible projects that can be funded by this Solicitation are required to achieve significant reductions in GHG, criteria pollutant, and toxic air contaminant emissions compared to conventional technologies and provide benefits to priority populations when required. Some projects will not be required to be located in priority populations to be eligible for funding, but it is highly encouraged (see Section B above). Benefits to priority populations will be considered during the scoring process and those applications that show a benefit to a priority population will score better than those applications that do not.

To determine whether a project qualifies as being located in a priority population, applicants must use the criteria in CARB's SB 1550 Guidance. To determine whether a project qualifies as benefiting disadvantage communities, applicants must use SB 535 Guidance.² Specifically, how the different facets of the proposed project will be located in a priority population or vehicles and equipment funded will be domiciled, registered, or used a majority of the time in a priority population. Applicants are required to make an affirmation in their application Project Narrative (Appendix A, Attachment 3) as to how the proposed project meets the criteria for benefitting a priority population and the reason that the criteria has been satisfied, including any site- or route-specific information used to make that determination.

For additional guidance on designated priority populations, as identified by CalEnviroScreen 4.0. The identified priority populations census tracts are available at:

<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>.

IX. SCOPE OF WORK

This section provides information on required elements for the project's scope of work. The requirements identified below are minimum requirements and are not comprehensive;

² *Cap and Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments*

applicants are encouraged to identify willingness to scale down or scale up the scope of work. In addition to the information below, the scope of work must include reporting and monitoring requirements as detailed in the Reporting and Monitoring Requirements section of this Solicitation.

Applications for funding can combine more than one eligible project type to be demonstrated. There is no limit to the number of technologies or strategies that can be funded under this Solicitation, as long as the requests for funds per project does not exceed the \$50 million cap, as described in section III.

Demonstration or Pilot projects require practical field demonstrations for any precommercial technologies funded under this Solicitation. Field demonstrations must be done while the vehicle or piece of equipment is in revenue service in its intended vocation by the end user partner included in the application. Field demonstrations of pre-commercial technologies should provide enough data to determine the economic viability for the continued use of the advanced technologies and must collect the relevant data items that are identified in Appendix F. Projects with a longer field demonstration will score higher than those that only meet the minimum deployment timeline. The application should discuss the disposition of all funded vehicles and equipment at the end of the proposed project. Projects that indicate they will continue the use of funded assets in their normal business practices after the term of the project could score higher than those that do not indicate the disposition of funded assets. All on-road trucks funded under this Solicitation required to install data collection equipment that can track the truck in real time and provide data on the position of the truck, including when it is in operation in a priority population, as well as collect data on vehicle operation.

Applications that have elements of their proposals for pre-commercial demonstrations must show a strong ability to be deployed widely into the marketplace within 3 years of the conclusion of the project, therefore no later than 2030.

All projects except for projects supported by AB 179 funding for Commercial Harbor Craft regulatory compliance require a one-year practical field demonstration of the technology as part of the project application with any one vehicle, or piece of equipment of data collection while in operation in their intended service. Projects supported by AB 179 funding for Commercial Harbor Craft regulatory compliance, requires field demonstrations and data collection of at least three months while in operation in their intended service. See Appendix F Data Collection Requirements. For engines that are CARB certified there will be no emission testing required, if the engine is not CARB certified then emission testing will be required.

Projects that contain zero-emission trucks must meet the minimum range requirement of at least 150 miles per day. Charging and fueling infrastructure can be an eligible component of an application for this category and needs to meet the infrastructure CEQA requirements as described in Appendix E. No emission reductions associated with infrastructure can be claimed.

Projects that contain hydrogen fueling infrastructure can be an eligible component of an application and needs to meet the infrastructure CEQA requirements as described in Appendix E as well as the hydrogen refueling station requirements in Appendix C.

Funded projects will be expected to be made available for tours by government officials, members of the public and other interested stakeholders to highlight firsthand the benefits of any funded project and the anticipated cost savings from employing such technologies and strategies.

A. Data Collection and Analysis and Emissions Testing

Data collection and analysis will be a required element of all funded projects and will be accomplished by a member of the proposed project team with experience in collecting and analyzing data from large and complex projects. All types of data to be collected will be determined at CARB's sole discretion, as outlined in Appendix F, or as modified by CARB at its sole discretion, in consultation with the project's technology manufacturer(s), end-users, data collection and analysis provider, the Program administrator and Grantee. All project team participants must work cooperatively with the data analysis provider and supply data as requested in a timely manner. The sharing of data collected from vehicles, vessels and equipment, funded infrastructure, and other relevant equipment with the project team, the Program administrator and CARB is required.

Reproducible emission testing for internal combustion engines to verify the emission benefits from the demonstration of technologies funded under this Solicitation is required. NOx emissions will be shown as NOx and nitric oxide (NO) plus nitrogen dioxide (NO₂). The emission testing procedure must be cited in the project's narrative (see Appendix A, Attachment 2). The final emission testing procedure will be presented to CARB before work begins and will be subject to CARB approval.

Data collection from emission or durability testing as part of a selected project and included in the project's submitted work plan and scope of work can be applied toward CARB or United States Environmental Protection Agency (U.S. EPA) certification or verification. However, funding cannot be used directly to fund formal CARB or U.S. EPA verification or certification processes.

B. Vehicle Certification, Verification, and Permitting

All vehicles in the proposed project that will be operated on California roadways must be compliant with all State Requirements, such as, but not limited to, CARB Experimental Vehicle Permitting, Department of Motor Vehicles licensing, California Highway Patrol requirements, and others. Further, the proposed on-road vehicles must be approved for use by truck operators that will be using them in the demonstration, and confirmation must be indicated in their letter of support for the project. A clear explanation of what steps are required in the process for legal operations on California roadways, usage on port properties, rail yards, and other sites where the on-road vehicle will be operated, should be indicated. All vessels in a proposed project must meet all USGC requirements before the start of any

field demonstration or revenue service. All pieces of off-road equipment must be registered with CARB before first usage.

As part of a viable commercialization plan, CARB verification or certification must be a goal for all pre-commercial vehicles, pieces of equipment or engines funded under this Solicitation. For any technology that will require CARB verification or certification or U.S. EPA certification or consideration, the applicant must explain in the project narrative the steps that will be followed to accomplish required certification and verification protocols. All submittals of certification documents to U.S. EPA must concurrently be submitted to CARB.

C. Vehicle, Vessel, or Equipment Conversions

Projects containing a vehicle, equipment or vessel conversion component will be required to meet certain criteria. A conversion means removing the existing internal combustion engine and replacing it with a zero-emission drive system, or a near zero-emission system utilizing an electric drive system with an internal combustion engine if allowed by the project category and replacing it with a cleaner and regulatory compliant engine. Repower mean the removal of a combustion engine and replacing it with a cleaner combustion engine. The following criteria apply to conversions:

- A vehicle, vessel or piece of equipment converted to a partial zero-emission system must achieve zero-emission miles while at a port, rail yard, intermodal facility, distribution center, or warehouse, or while transiting priority populations. A piece of equipment or vessel converted to a partial zero-emission system must reduce GHG emissions compared to conventional diesel fueled counterparts and be compliant with any applicable regulations. The determination when a vehicle or piece of equipment is operated in zero-emission mode must be automatic without input from the vehicle operator. Vessels can use manual selection of zero-emission mode if allowed by applicable regulation.
- Conversions of existing vehicles, vessels or pieces of equipment are limited to vehicles, vessels, and equipment that the applicant can demonstrate will have a remaining useful life of at least 10 years or the standard useful life of such pieces of off-road equipment.
- Repowers of equipment or vessels with combustion technologies are allowed for CHC regulatory compliance and modular powertrain cargo handling equipment projects only. Emission testing will not be required for CHC regulatory compliance projects but will be required for modular powertrain projects if a combustion engine is being used.

D. Infrastructure

Infrastructure necessary for operating vehicles, vessels or equipment that are the subject of this Solicitation is an eligible cost. Proposed infrastructure should be capable of allowing a robust and significant field demonstration of the proposed technology. In-route charging, yard charging, and refueling infrastructure may be part of an eligible application; however, the infrastructure must be coupled with the demonstrated or piloted vehicles, vessels or

equipment and be sized appropriately. Projects that propose only infrastructure without accompanying vehicles, vessels, or equipment, either funded or as match will not be scored.

Emission reductions resulting from recharging or refueling infrastructure funded by this Solicitation are not allowed to be included as part of the emission reduction benefits of the project.

Proposed infrastructure costs must be substantiated by qualified entities with experience in the installation, permitting, and commission of the proposed infrastructure type. Any infrastructure proposal should indicate all the required steps, including, but not limited to, siting, permitting, safety certifications, and other necessary certifications. Operation and maintenance of any proposed infrastructure must be addressed in the project application budget. The amount of funds proposed in the application for infrastructure that will be funded by the grant may be funded in part or whole by CARB and or the CEC. NOTE: If the actual infrastructure costs exceed the proposed amount of funds allocated in the application, the difference must be covered by the applicant or another party.

Projects that propose a dual use (public and private) charging/refueling station are encouraged and may be scored higher.

A. Hydrogen Refueling Stations

Proposals containing a hydrogen refueling station installation must adhere to the minimum technical requirements and renewable hydrogen requirements specified in Appendix C and the CEQA and permitting requirements described in Appendix E. Additionally, the project must comply with all applicable federal, state, and local laws and requirements for acceptable installation and usage of hydrogen refueling stations. Each hydrogen refueling station must be designed to allow the station to accept delivery of hydrogen fuel from a mobile refueler or hydrogen tube trailer if on-site hydrogen production goes off-line or if hydrogen delivered via a pipeline is disrupted. Public or private access to refueling from proposed refueling stations is not required. However, infrastructure proposals that allow refueling to non-project entities during or following the completion of the demonstration project may score higher than those that do not allow refueling to non-project entities.

B. Electric Vehicle Supply Equipment

Proposals containing electric vehicle, vessel or equipment charging infrastructure installation must adhere to the CEQA and permitting requirements described in Appendix E, and the project must comply with all applicable federal, state, and local laws and requirements for acceptable installation and usage of electrical vehicle supply equipment (EVSE). The proposal must include a maintenance plan for continued reliable operation and unforeseen breakdowns of the EVSE. Public access to charging from proposed EVSE is not required. However, projects that allow for public charging to non-project entities during or following the completion of the demonstration project may score higher than those that do not allow charging to non-project entities. Projects that have already been in contact with local utilities about charger installation for their project may be scored higher than those that have not.

E. Workforce Training and Development

Clean transportation workforce training and development supports the education, awareness, and outreach needs, as well as required vehicle and fueling infrastructure, of priority AB 1550 and SB 535 priority populations across the state as we transition to zero-emission vehicle adoption. The Proposal must include a Workforce Plan with a description of partnerships and work in communities to build the green economy and expand good quality clean transportation job opportunities with higher wages and benefits through these investments. This includes a hiring plan that addresses the needs of priority populations facing barriers to employment, pathways from training to clean transportation jobs in a related clean technology field, engagement and contracting with local small businesses, and direct collaboration with workforce groups and agencies. Other considerations include hands-on training experience, how this training will be conducted and how recruitment will take place, training locations and evaluation measures, job assistance and career development, such as through community colleges or apprenticeship and pre-apprenticeship programs, for electric vehicles manufacturing, maintenance, and charging infrastructure installation and maintenance.

The project must track qualitative and quantitative data demonstrating the progress, successes and challenges of the workforce training and development programs and participants, including industry-standard workforce development metrics, access to zero-emission training, and pathways to jobs. Applicants must indicate in their Workforce Plan the proposed methods for program data collection (e.g., surveys, interviews, group discussions) and must provide details about aspects of the communities the training and development the serves, including the social and economic status of the project's trainees and participants.

In addition to the Data Collection Requirements (Appendix F), grantees may be required to develop reporting methodologies to determine the success of the workforce training and development project elements and whether project refinements are needed. This evaluation effort will be done along with CARB staff to determine relevant project data and lessons learned, including feedback loops for policy and project adjustments based on the Grantee's findings. Refer to the Sample Grant Agreement for a list of project reporting requirements.

F. Proprietary Information and Intellectual Property

CARB will not make any claims as to ownership of any vehicles, vessels, equipment, or infrastructure funded by this grant, unless the selected grantees fail to perform or fulfill their commitments as set out in their application and/or the executed grant agreement. In addition, all information and data generated under the Grant Agreement is the property of CARB and the CEC. Additionally, the technology manufacturer(s), end-users, data collection and analysis provider, and Grantee will make available any information and data needed to satisfy the requirements discussed in the Reporting and Monitoring Requirements section of this Solicitation.

Data gathered on actual emissions to the air as part of the demonstration project cannot be protected from disclosure. Any information determined to be a trade secret or otherwise

exempt from disclosure under the California’s Public Records Act or other provisions of law must be labeled on each page as “confidential.” Review Appendix A, Attachment 6, for Procedures for Handling Confidential Information. If you wish to include confidential information, you must:

- Separate confidential pages from the other elements of the project proposal (do not include any confidential information in the main project proposal); and
- Clearly label every confidential page as “CONFIDENTIAL”.

Project proposals will be reviewed by CARB and the CEC staff and may include reviewers outside of CARB or the CEC associated with public universities in California and other State government agencies as needed. In the project proposal, at the point where the information would appear confidential, please indicate its existence under the separate cover **clearly labelled “CONFIDENTIAL.”** Please provide the name, address, and telephone number of the individual to be contacted if CARB receives a request for disclosure of the information claimed as confidential. CARB may share confidential information related to a project (such as certification/verification data) with multiple units and sections within CARB or other relevant State agencies.

X. APPLICATION INSTRUCTIONS

Appendix A: the Solicitation Application contains the forms and information necessary for submittal of a complete application. Any deviation from that which is required by the Solicitation to supply required information, failure to sign any documents, or failure to fill in line items on the budget schedule will result in the application being rejected as non-responsive (non-qualifying). Non-responsive applicants do not qualify to be considered under this Solicitation, are not entitled to appeal of this determination, and will not be evaluated based upon the scoring criteria identified below. Only responsive (qualified) proposals will be evaluated using the scoring criteria identified in this Solicitation.

All information and data submitted as a response to this Solicitation are the property of CARB and the CEC and will become a public record. If no responsive or responsible proposals are submitted, CARB will not award a grant and will consider other options, such as reevaluating this Solicitation to re-solicit for applications.

If you need this document in an alternate format or language, please contact Earl Landberg, the Solicitation Lead, at earl.landberg@arb.ca.gov . TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Applications must be submitted via an upload portal. Applicants must identify a specific person that will upload the completed application on or before the due date (see Solicitation timelines below for more details on the due date). **The grantee will submit an email to Earl Landberg at earl.landberg@arb.ca.gov at least seven (7) days before the solicitation due date that identifies the name, affiliation, phone number and email address of the person**

that the applicant has identified as the application submitter. Only one person per applicant team may be the application submitter. CARB will then forward a link to the application submitter that will be used to access the secure on-line file upload portal for application upload. All the documents that make up the application must all be submitted in a single PDF file. Only one signed version of the application needs to be submitted. Applicants who try to submit their application after the due date will not have access to the upload portal. Applications may be received by the Advanced Technology Demonstration and Pilot Project Program administrator.

Complete applications must be submitted no later than 5:00 PM Pacific Daylight Time (PDT) on **October 12, 2023** (the "Application Deadline"). Applicants will not be allowed to submit any additional records or materials after the Application Deadline.

No applications shall be submitted by mail or in person.

Format Requirements

Applications should be accurate, brief, and clear. In order to be considered a responsive (qualifying) application, it must include all the Required Elements identified in Section X of this Solicitation. An incomplete application will be rejected on its face as non-responsive (non-qualifying). **Please do not include in the application any personally identifiable information, such as project staff home addresses, personal phone numbers, or personal email addresses. Business addresses, phone numbers and email addresses are required.**

Table 2: Fiscal Year 2021-22 and FY 2022-23 Advanced Technology Demonstration and Pilot Projects Solicitation Timeline*

<u>Key Actions</u>	<u>Dates</u>	<u>Time</u>
Public Release of Solicitation	July 14, 2023	N/A
Applicant Question Deadline for Conference	August 21, 2023	No later than 5:00 p.m. PDT
Applicant Zoom Conference	August 23, 2023	1:30 p.m. PDT
Posting of Applicant Zoom Conference Question and Answer Document	September 13, 2023	5:00 p.m. PDT
Application Deadline	October 12, 2023	No later than 5:00 p.m. PDT
Review/Rating of Applications	Starting October 16, 2023	N/A
Posting of Applicants	November 2, 2023	N/A
Notification of Application Status	End of 2023	
Return Signed Grant to CARB	Within 10 calendar days of receipt	N/A

* Timelines are subject to change at CARB’s sole discretion.

XI. APPLICANT ZOOM CONFERENCE

CARB will hold one Applicant Zoom Conference where staff will be available to answer questions potential applicants may have regarding eligibility, application completion, and other requirements.

The Applicant Zoom Conference will take place on the following date and time:

Date: August 23, 2023

Time: 1:30 to 3:00 p.m. PDT

Zoom Registration Link:

https://us06web.zoom.us/webinar/register/WN_x5DaOdRCRe-4m-AGKpQCnA

After registering, you will receive a confirmation email containing information about joining the meeting.

The Applicant Zoom Conference will be open to all interested entities. The Conference will provide potential project applicants with an opportunity to ask clarifying questions regarding general application, applicant requirements, or terminology definitions. Written questions submitted before the Conference will be given priority. Questions may be emailed to the Solicitation Lead Earl Landberg at earl.landberg@arb.ca.gov. Questions may be submitted up to 5 p.m. (PST) one business day prior to the Conference date. The questions and answers from the Conference and any questions received via email will be posted on the CARB website no later than **September 13, 2023**; this date may be extended at CARB's sole discretion. CARB will not answer questions regarding this Solicitation after the Teleconference. Any verbal communication with a CARB employee concerning this Solicitation is not binding on the State and shall in no way alter a specification, term, or condition of the Solicitation.

XII. REQUIRED ELEMENTS

Eligible Grantees must meet all applicable requirements of State law and regulations, AQIP Guidelines, FY 2021-22 and FY 2022-23 Funding Plans, and this Solicitation. To be considered for the grant award, Grantees must complete the application and demonstrate that they meet the required Solicitation elements. CARB may request clarification regarding application responses during the application review process. Clarifying questions will not be considered changes to the application for the purpose of scoring but will be considered part of the project application and will be included in the grant agreement if the project is selected for funding. Only applications that contain all the required elements as described in the Required Elements section and Appendix A of this Solicitation will be scored.

Applicants must include in the project proposal any documents (or pertinent excerpts) that are cited in support of performance claims in the project. However, the grantee does not need to include materials that are not needed to supply the information requested in these instructions. CARB will not review patent documents, engineering drawings and specifications, or promotional materials. The application package must include letters of commitment from project partners that describe the nature of their contribution to the project.

Letters of support from non-project partners are discouraged and are not part of the scoring criteria. However, letters of commitment from local Community Based Organization (CBOs) that are part of the project team are required. Local CBOs that are part of the project team should detail their support for the project and what role the community group will play in the project. Further, letters should indicate the level of support the project has in the priority population(ies) where the project is located and indicate the group's role in the community. Strong support from eligible community groups may be eligible for extra points under the Optional Extra Credit Scoring Criteria 12, described in Section XII Evaluation and Scoring section.

IMPORTANT NOTICE—PLEASE READ THIS: Members of CARB advisory groups cannot be Applicants, Community Partners, contractors, subcontractors, consultants or members of the Project Team; cannot provide letters of support or references; cannot be signatories to the Application, the Grant Agreement or any other related contracts; cannot be listed as any of the persons completing tasks in the scope of work; cannot have any role in or influence over this Solicitation or the application review or selection process; and, cannot communicate with CARB regarding CARB’s decision on the applications received. If a CARB advisory group member makes any prohibited appearance or communication subject to Government Code section 87104 as described above, the application will be disqualified and will not be eligible for an award.

The application is included as Appendix A of this Solicitation, and includes the following required elements:

Appendix A: Application

Attachment 1: Project Executive Summary and Project Summary for Public Posting

Attachment 2: Project Narrative and Work Plan

Attachment 3: Emission Reductions and Cost-Effectiveness Calculations

Attachment 4: Proposed Budget, Project Milestones and Disbursement Schedule

Attachment 5: Priority Population Eligibility Determination

Attachment 6: Procedures for Handling Confidential Information

Attachment 7: Letters of Commitment

Attachment 8: California Environmental Quality Act Worksheet

Attachment 9: Applicant Resources

Attachment 10: References

Attachment 11: Conflict of Interest Declaration

Attachment 12: STD. 204 Payee Data Record

Attachment 13: Compliance with the Law

Attachment 14: Insurance Endorsement

Attachment 15: Attestation of Readiness

Attachment 16: Attestation of Drayage and Short-haul Labor Compliance

Attachment 17: Non-Collusion Declaration

XIII. EVALUATION AND SCORING

Rejected non-qualifying (non-responsive) applicants will be notified of their application status within 30 days after the Application Deadline.

After screening out non-responsive applications, CARB will evaluate the responsive (qualifying) applications based on the criteria described below. The maximum score is 185 points. The qualifying applicants will be ranked with the highest overall score being first and funding will be offered to each applicant by rank order until all funds are exhausted. Projects that request or use AB 179 Commercial Harbor Craft Regulatory Compliance Funding will be ranked separately and funding will be offered to the highest ranked projects and in accordance with the funding caps for vessel types listed in Section VIII Eligible Projects until all AB 179 funds are exhausted. The selected responsible applicant will be required to sign a Grant Agreement with CARB to fulfill the duties of Grantee (See Appendix B: Sample Grant Agreement). The CEC will only add its funding under this Solicitation to the projects competitively selected and first executed by CARB. If CEC funding is awarded as well, the applicant will then be required to sign a Grant Agreement with CEC to fulfill the duties of the Grantee (See Exhibit A: Scope of Work, Exhibit B: Proposed Budget Template, and Exhibit C: Sample Grant Agreement). CARB reserves the right, in its sole discretion, to cancel this Solicitation for an Advanced Technology Demonstration and Pilot Projects Grantee, direct funding to another project in the Funding Plans, or reject any or all applications received in response to this Solicitation. Pursuant to the guidelines for Agencies Administering California Climate Investments (Funding Guidelines),³ CARB will also post basic information about all the applications submitted for consideration (excluding personally identifiable information for any private individuals). The minimum items that must be posted include the name of the applicant, the amount of funding requested, and the executive summary as required in Appendix A.

CARB, in consultation with the CEC, may scale down any proposed project to accommodate limited funding or to maximize the potential for emission reductions in consultation with the applicant.

IMPORTANT NOTICE—PLEASE READ THIS: Members of CARB advisory groups cannot be Applicants, Community Partners, contractors, subcontractors, consultants or members of the Project Team; cannot provide letters of support or references; cannot be signatories to the Application, the Grant Agreement or any other related contracts; cannot be listed as any of the persons completing tasks in the scope of work; cannot have any role in or influence over this Solicitation or the application review or selection process; and, cannot communicate with CARB regarding CARB’s decision on the applications received. If a CARB advisory group member makes any prohibited appearance or communication subject to Government Code section 87104 as described above, the application will be disqualified and will not be eligible for an award.

³ CARB, 2018; <https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies>

Table 3: Summary of Scoring Criteria for Demonstration and Pilot Projects

Scoring Criteria	Total Points Possible
1. Applicant General Qualifications	15
2. Project Team Capabilities and Degree of Industry Collaboration	20
3. Project Objectives and Work Plan	15
4. Budget, Match Funding, and Financial Capabilities	15
5. Potential for Widespread Emission Reduction Benefits	15
6. Cost Effectiveness	10
7. Benefits to Priority Populations	15
8. Technology and Innovation	15
9. Potential for Market Penetration and Commercialization of the Technology	15
10. Ability to Implement Project with Equity Considerations	10
11. Potential for Project to Act as a Showcase of Technology	10
12. Timeline for Project Completion	5
13. Workforce Development and Training	10
14. Extra Credit	15
Total	185

Applicants will be evaluated based on the Scoring Criteria. Project Narrative and Work Plan must address how the applicant will implement all the tasks in the proposed scope of work.

Using the scoring scale below, the evaluation team will score each eligible application for each scoring criteria described within this Solicitation.

Table 4: Scoring Scale

Possible Points	Interpretation	Explanation of Percentage Points
0%	Not Responsive	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
10-30%	Minimally Responsive	Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
40-60%	Inadequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
70%	Adequate	Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.
100%	Exceptional	All requirements are addressed with the highest degree of confidence in the Applicant's response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.

The **PROJECT NARRATIVE** must separately address each of the scoring criteria listed below; see instructions for the Project Narrative in Appendix A, Attachment 2.

1. Applicant General Qualifications (Appendix A, Attachment 11) – Maximum 15 points

- Describe the experience and expertise the proposed Grantee has in implementing large-scale air quality incentive projects or programs and working with vehicle and/or vessel manufacturers, equipment manufacturers, technology providers, and other key project stakeholders. Scoring will be based upon the applicant's ability to successfully act as Grantee according to their demonstratable staffing, infrastructure, funding, and other available resources.
- If projects are applying for AB 179 Commercial Harbor Craft Regulatory Compliance funding, applicants must make a statement as such in their narrative.

2. Project Team Capabilities and Degree of Industry Collaboration – Maximum 20 points

- Proposals identify the end user of the proposed technologies or strategies to be used during the project. Applications that have all the project participants in place at time of application submittal will score higher than those that do not have all the needed participants identified in advance.
- Describe the roles and the work to be performed by each of the project's key participants, including project administration, technology manufacturers and developers, end users, data collection and reporting, and community groups.
- Describe the administrative and technical qualifications and capabilities of key personnel, such as education and training, research and professional experience, publications (patents, copyrights, and software systems may be provided in addition to or substituted for publications), and the ability of the applicant to administer similar air quality programs.
- Describe the project team's relationship and degree of collaboration among the project partners including vehicle, vessel or equipment manufacturers, charging/refueling infrastructure builders, end users, and data collection and analysis partners. Describe what business alliances and partnerships will be involved in commercialization of any pre-commercial technology proposed to be part of the project.
- Performance of the Grantee, technology manufacturer(s), end-users, and other project participants with previous CARB funded projects will also be considered.
- Describe any community-based organizations that are in support of the proposed project, and any plans for ongoing engagement with those organizations.

3. Project Objectives and Work Plan (for Work Plan, see Appendix A, Attachment 2) – Maximum 15 points

- Provide a concise statement of how the project meets CARB’s goal under the FY 2021-22 and FY 2022-23 Advanced Technology Demonstration and Pilot Project Solicitation and the FY 2021-22 or FY 2022-23 Funding Plan.
- In a logical sequence, describe the tasks necessary to prepare for and conduct the proposed project. Tasks should be divided into the phases of the project, as appropriate, and described in enough detail for reviewers to understand the scope of the work. Identify what entity (Grantee, industry partner, or data collection and analysis provider) will perform each task.
- Identify the extent to which renewable sources of energy will be used to support the zero- or near zero-emission technologies to be demonstrated. Projects employing a higher percentage of renewable energy will score higher than those employing a lower percentage or no renewable energy. Please note that the sole source of GHG reductions for the project cannot come from renewable energy use.
- Provide quantitative milestones for each budget period of the project, and identify them with a number, title, and planned completion date. The general duration for each task must be specified. Identify at which milestones disbursement requests will be made, at what amounts, and the deliverables associated with each milestone.
- Identify when Critical Project Review meetings will take place before major milestones.
- Identify the entities that will be using the vehicles, vessels, equipment, strategies, or facility improvements included in the project and how the Grantee will ensure data will be reported as required to CARB.
- Describe the disposition of funded vehicles, vessels, and equipment after the end of the proposed project.
- Identify the resources (e.g., equipment, machine and electronic shops, field and laboratory facilities, materials, etc.) to be used at each of the facilities that are part of the proposed project. Describe only those resources that are directly applicable to the proposed work. List important items of equipment already available for this project. If proposing an equipment acquisition, describe comparable equipment, if any, already at the facility and explain how they will work in concert during the project.
- Identify any fueling, charging, or other related infrastructure already in place that will be utilized by the proposed vehicles, vessels and equipment during the proposed demonstration project and the agreements that are planned or already in place to utilize the existing infrastructure.

- Specify if any mobile refueling will be included in the project and agreements that are planned or already in place to provide mobile refueling to funded vehicles and equipment.
- Identify any infrastructure, including charging and refueling infrastructure that will need to be installed to allow proper use of the vehicles, vessels and equipment identified in the project and a brief description of the process for planning and installation. Identify the entities that will be doing the infrastructure installation and at what cost. Describe plans, if any, for future use of charging and refueling stations following the demonstration project.
- For proposals that include installation of a hydrogen refueling station to be funded as part of the project, provide a description of how all of the components of the Hydrogen Refueling Station Requirements (Appendix C) will be met. The proposal must include overall station performance parameters including, but not limited to, fuel quality, metering accuracy, fueling protocol, pressures, storage, compression, daily throughput, hourly peak throughput, and a plan to maintain and verify the same.
- For projects that include electric vehicle supply equipment (e.g., charging stations), identify the analysis that has been accomplished, if any, to identify and/or address grid impacts during peak electricity demand hours.
- For proposals that include fueling or charging infrastructure installation to be funded as part of the project, include information showing the infrastructure is designed and engineered to match the specific minimum fueling/charging needs of the proposed vehicles and equipment. The proposal must include a template illustrating station parameters that must be met, in addition to a “space or area” where parameters that must be supplied or provided by the applicant will be placed appropriate to the vehicles and equipment being served. Details must be provided explaining the existing similar infrastructure where the funded infrastructure is proposed to be sited (e.g., existing electrical infrastructure where proposed EVSE is to be sited, or existing fueling station or industrial facility where a proposed hydrogen refueling station is to be sited). In cases where the applicant would make the funded infrastructure available to non-project fleets, the proposal must include information showing how the applicant will plan for capacity adjustments to handle the additional demand.

4. Budget, Match Funding, and Financial Capabilities – Maximum 15 points

- Provide a clear and concise project budget that lists all expenditures and source of those funds in a logical sequence that leads to on-time completion of the project (see sample budget in Appendix A, Attachment 4). Administrative fees may not exceed 8 percent of the total amount awarded by CARB.
- Indicate the source of funding, CARB funds, cash match, and in-kind match, for each task, the amount of the funds for each task, and the amount of funds that are being used as match for the project. Funds that are identified as match must also indicate

what entity is providing the match and if the match is part of the cash match or in-kind match.

- Demonstrate that the Grantee and/or technology manufacturer(s) will be financially capable of providing the minimum percent match requirement of the total project budget (including the 10 percent cash requirement exclusive of in-kind contributions). Higher match pledges will be scored higher. See section VI Required Match Funds for more information.
- Describe each financial contribution to the project (match funding or other leveraged funding) in addition to describing other current and pending funding sources for the required cost share match. Identify if all or a portion of the match funding is dependent upon successful grant award under any other Solicitation. If a proposed end user or primary technology provider is qualified as a microbusiness or small business and has project partners that do not qualify as a micro business or small business, then the magnitude of the match supplied by the non-micro or small business project partners beyond the minimum allowed for micro and small businesses will be considered.
- Attach Letter(s) of Commitment from each project partner stating that it is committed to providing a specific minimum dollar amount of cost sharing as part of the match funding requirement or as other leveraged funding. Letters must be signed by the person authorized by the entity to commit the expenditure of funds.

5. Potential for Widespread Emission Reduction Benefits – Maximum 15 Points

- Describe in Appendix A, Attachment 3 the estimated emission reductions of GHG, criteria pollutant, and toxic air contaminant emissions (PM) as determined by using the quantification methodology in Appendix D. Combined weighted criteria pollutant and PM emission reductions are to be based on exhaust emissions (tank to wheel) and calculated in tons reduced per year. The GHG emission reductions are to be based on life cycle analysis (well to wheel) and calculated in metric tons of CO₂ equivalent²⁰ reduced per year. Emission reduction calculations are required for two scenarios:
 - During the actual proposed project over a 2-year time frame; and
 - Two-years after the end of the proposed project with a useful life of ten years.
- **Show all math used in calculations if not using the Quantitative Methodology Calculator.** CARB approved Quantitative Methodology that can be found on the CCI Quantification, Benefits, and Reporting Materials website: <https://ww2.arb.ca.gov/resources/documents/ci-quantification-benefits-and-reporting-materials>. Cite all sources and explain all variables used in the calculations that are not included in Appendix D.
- Describe the utility of the innovative technology to help California achieve its climate change and air quality goals by reducing GHG, criteria pollutant, and toxic air contaminant emissions, particularly in priority populations.

- If an alternative methodology is used to calculate the emission reductions for this project, all math should be shown, and all values should be cited. Alternative methodologies will not be used to score the project but may provide insight to the scoring team on the potential emission reductions of the project.
- Summarize the expected emission reductions for the entire project as described in Appendix D.

6. Cost-Effectiveness – Maximum 10 Points

- Describe in Appendix A, Attachment 3 the estimated cost-effectiveness of the project in dollars per ton of combined criteria pollutant and weighted PM emissions reduced, and per metric ton of GHG emissions (in CO₂ equivalent) reduced for the two scenarios below, using the methodology in Appendix D:
 - During the actual proposed project; and
 - Two years after the end of the proposed project with a useful life of ten years for all on-road trucks, 5 years for pieces of equipment and the proposed useful life for any facility improvements and technologies that support ships at berth.
- If an alternative methodology is used to calculate the project's cost effectiveness for this project, all math must be shown, and all values must be cited. Alternative methodologies will not be used to score the project but may provide insight to the scoring team on the potential emission reductions of the project and are not a replacement for the required methodology as described in Appendix D.

7. Benefits to Priority Populations – Maximum 15 Points

- Projects that are located within a priority population(ies) will score better than those that provide benefits to a priority population(ies). Projects benefiting priority populations will score better than those projects that do not demonstrate benefits to priority populations.
- Describe how the project is located in or how it benefits priority populations. Being located in a priority population is determined by the location of the facility(ies) that are part of the proposed project and the vehicles or pieces of equipment that will be domiciled, registered, or operated a majority of the time. For additional guidance on designated priority populations, as identified by CalEnviroScreen 4.0. The identified priority population census tracts are available at: <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>.

8. Technology and Innovation – Maximum 15 points

- Identify and describe all the technological innovations that are included in the proposed project. If a proposed technology is a component of a device, process, or strategy, also describe the device, process, or strategy. Descriptions should be understandable to reviewers who are not experts in the field. Cite (but do not include)

patents if needed. Describe exactly what part of the technology is innovative, how it is innovative, and how it works.

- Describe what safety measures are in place to ensure safe operation and maintenance of the vehicle, vessel, equipment or facility improvements during operations, battery charging, refueling, maintenance, and other operational parameters. Identify any specific issues that first responders, such as firefighters, police, etc., should be aware of if an emergency is encountered, either due to internal or external forces, with vehicles, vessels, equipment, facility improvements and EVSE/refueling equipment funded under this demonstration.
- Explain the technical advantages of the innovations proposed as part of the project, and document performance claims.
- Describe what type of emission testing has already been done on the proposed technology(ies), if applicable.

9. Potential for Market Penetration and Commercialization of the Technology – Maximum 15 points

- For projects that contain pre-commercial technologies, define target markets, and explain why the targeted industries would buy the innovation after a successful demonstration of the technology. Both markets within and outside of California should be considered.
- Describe the recent and expected growth or decline of the each of the targeted end-users, including vehicles or vessels, equipment, and facilities.
- Identify the specific market for the proposed technology and describe its size and potential for growth.
- Describe any specific barriers to entry or expansion.
- Describe the commercialization plan for the proposed pre-commercial technology(ies).
- Describe what steps will be followed to gain CARB certification or verification of the proposed pre-commercial technology(ies) if needed.
- Describe the economic benefits or costs that a California business could expect if they operated advanced technology vehicles or vessels, equipment and facility improvements that are part of the proposed project.
- Describe any special training that will be required for installation and maintenance personnel.

10. Ability to Implement Project with Equity Considerations – Maximum 10 Points

- Include in the plan an explanation of how equity will be considered when implementing the project.

- Applications that show a community engagement plan for their proposed project and have initiated contact with the community in the proposed location of the proposed project may score higher than applicants that have not contacted the community.

11. Potential of Project to Act as a Showcase of Technology – Maximum 10 Points

- The goal of this Solicitation is to fund bold transformative projects that have the capability to significantly demonstrate the cost effectiveness and environmental benefit of deploying such technologies. The project application should describe how the proposed project will be transformative in California, nationally and internationally.
- Describe in the application the plans to share results and lessons learned from the project to other owners and operators, end-user fleets and equipment operators.
- Applications that contain multiple facilities, end-users, vehicle or vessels, and equipment types operating in concert will be scored higher than projects that have a limited number of facility, vehicle, vessels, or equipment types included in the application.

12. Timeline for Project Completion – Maximum 5 points

- Provide a project schedule including the milestones as described in the Project Narrative and Work Plan section of Appendix A (Attachment 2). Both a tabular and graphic display (such as a Gantt chart) of the project schedule is preferred, but at a minimum, a tabular display is required. Information must include task duration, start and completion dates, and expected time to secure materials and construction services, in addition to the milestones being clearly identified. At least one Critical Project Review meeting is required, but more are allowed and encouraged.
- Demonstrate that all work will be accomplished by March 15, 2027, to allow timely processing of final invoices before the June 30, 2027 liquidation date of the additional funding from the CEC.

13. Workforce Development and Training – Maximum 10 points

- Workforce Plan shall include, but not limited to, identification and discussion of personnel, classifications or titles, occupations, proposed training and/or curricula.
- Ability for other communities to replicate parts or in whole the proposed workforce plan
- Details of how training will be conducted, performance and evaluation metrics, training location(s), training methodology.
- Details of hiring plan and workforce training, labor and development partnerships (e.g., educational institutions, businesses, and workforce organizations).

14. Optional Extra Credit Scoring Criteria – Maximum 15 points

- Include in the project application all completed CEQA documents.

- Provide evidence of sub agreements being in place or describe how the sub agreements with all project partners are already in place at the time of application submittal.
- For commitments from local Community Base Organizations that are part of the proposed project team, indicate the level of support and what role the local community group will play in the proposed project.
- Applicants seeking AB 179 CHC regulatory compliance funding already have submitted or have USGC approval for their vessel retrofit or new build.
- Workforce plans whose training and/or jobs will benefit areas that have higher unemployment rates and labor force. For additional guidance, Employment Development Department has an Unemployment Rate and Labor Force Data Table, located at: <https://labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>.

XIV. ADMINISTRATION

A. Cost of Developing Application

The applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State. In addition, CARB is not liable for any costs incurred during environmental review (if applicable) or as a result of withdrawing a proposed award or canceling the Solicitation.

B. Errors

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in this Solicitation, the applicant shall immediately notify CARB of such error in writing and request modification or clarification of the document during or before the Applicant Zoom Conference. CARB shall not be responsible for failure to correct errors.

C. Immaterial Defect

CARB may waive any immaterial defect or deviation contained in an applicant's application. CARB's waiver shall in no way modify the application or excuse the successful applicant from full compliance.

D. Disposition of Applicant's Documents

All applications and related material submitted in response to this Solicitation become the property of the State and may be considered public records as solely determine by CARB.

E. Applicant's Admonishment

This Solicitation contains the instructions governing the Advanced Technology Demonstration and Pilot Projects Grantee application process, including the required format of information

and materials to be submitted, the eligibility criteria, and Applicant responsibilities. Applicants must take the responsibility to read the entire Solicitation, ask appropriate questions in a timely manner, submit a complete application with all required responses by the required date and time, and make sure that all procedures and requirements of the Solicitation are followed and appropriately addressed.

F. Agreement Requirements

The content of this Solicitation and each selected grant recipient's application shall be incorporated by reference into the final Grant Agreement.

G. CARB Reserves the Right to Negotiate with Applicant

CARB reserves the right to negotiate with applicants to modify the project scope, the level of funding, or both. If CARB is unable to successfully negotiate and execute a funding agreement with an applicant, CARB, at its sole discretion, reserves the right to withdraw the pending award and fund the next highest ranked eligible project. This does not limit CARB's ability to withdraw a proposed award for other reasons, including for no cause or to take any other direction consistent with applicable law.

H. No Agreement Until Signed

No agreement between CARB and the selected responsible applicant is in effect until the Grant Agreement is signed by the recipient and signed by the authorized CARB representative. Qualifying costs may only be reimbursed by CARB only after full execution of the Grant Agreement; no costs incurred prior to execution of the Grant Agreement are reimbursable using CARB funds.

I. No Modifications to the General Provisions

Because time is of the essence, if an applicant at any time, including after Preliminary Grantee Selection, attempts to negotiate, or otherwise seeks modification of, the General Provisions, or provisions dealing with confidentiality, project monitoring, data security, ownership, intellectual property, the Term, reporting and documenting, project records, oversight and accountability, the funding amount, insurance, and indemnity (attached as Appendix B, Sample Grant Agreement), CARB may reject an application or withdraw a proposed award. This does not alter or limit CARB's ability to withdraw a proposed award for other reasons, including no cause. This does not alter or limit CARB's ability to withdraw a proposed award for other reasons, including failure of a third-party agency to complete CEQA review, or for no cause.

J. Payment of Prevailing Wages

All applicants must read and pay particular attention to Appendix B, Sample Grant Agreement Section O (21) entitled "Prevailing wages and labor compliance." Prevailing wage rates can be significantly higher than non-prevailing wage rates. Failure to pay legally required prevailing wage rates can result in substantial damages and financial penalties, termination of the grant agreement, disruption of projects, and other consequences.

K. Remedies for Non-performance

In the case of non-performance, remedies detailed in this section may be utilized at CARB's discretion. Examples of non-performance include but are not limited to: misuse of funding for ineligible expenses; failure to comply with program guidelines or requirements; inability to meet performance requirements or schedule milestones; and failure to comply with the terms and conditions identified in legal agreements. Remedies may include:

- CARB may seek to resolve the dispute directly with the grantee, or involve a third-party mediator,
- CARB may issue a stop work order,
- CARB may terminate the agreement at its sole discretion,
- CARB may recover grant funds, spent and unspent, to the degree they have been spent or are being spent inappropriately,
- CARB may withhold funds from payment, and
- CARB may take civil actions.

L. Solicitation Cancellation and Amendments

CARB reserves the right to do any of the following:

1. Cancel this Solicitation.
2. Revise the amount of funds available under this Solicitation.
3. Amend this Solicitation as needed.
4. Reject any or all applications received in response to this Solicitation.

M. Insurance Requirements

The Grantee must comply with all requirements outlined in the General Provisions of the Sample Grant Agreement. Each Applicant is responsible for thoroughly reading these insurance requirements and must comply with these insurance requirements if selected as the Grantee. No payments will be made under the Grant until the Grantee fully complies with all insurance requirements.

N. Other Requirements

The following represent additional terms and conditions applicable to this Solicitation. By participating in this Solicitation process, each prospective applicant acknowledges, accepts, and agrees to all terms and conditions of this Solicitation, and represents that applicant will comply with and conform to all the following:

1. **Incurring Costs** – This Solicitation does not commit CARB to award, nor does it commit CARB to pay, any costs incurred by any applicants resulting from the submission of an application or participation in the

- Solicitation including but not limited to travel expenses). Furthermore, no reimbursable cost shall be incurred by an application in anticipation of a Grant award. All costs associated with Solicitation participation, application preparation, travel, interview preparation and attendance are the sole responsibility of each submitting applicant. Submitted applications become the property of CARB and will not be returned.
2. **Claims against CARB and/or CEC** – Each applicant acknowledges, accepts, and understands that neither applicant’s organization nor any of applicant’s representatives shall have any claims whatsoever against the CARB or CEC, or any of their respective officials, agents, or employees arising out of or relating to this Solicitation or these Solicitation except as between CARB or CEC as Grantor and applicant as Grantee, as set forth in the terms of a definitive grant agreement signed by authorized representatives of the Grant and the selected Grantee.
 3. **Basis for Proposal** – Only information supplied by CARB in writing as a part of this Solicitation process may be relied upon for the preparation of an application.
 4. **Form of Application** – No oral, telephone, facsimile, or mailed applications will be accepted.
 5. **Amended Proposal** – Applicants may only submit an amended application before the Application Deadline. Such amended applications must be a complete replacement of a previously submitted application package and must be clearly identified as such in the cover letter transmitting the new application (the “Letter of Transmittal”). CARB personnel will not merge, collate, or assemble application materials. Once received, the new amended application package will replace the previously submitted application package in its entirety. All amended application packages must be submitted and received by the Application Deadline.
 6. **Withdrawal of Application** – Applicants may withdraw their applications at any time. The Applicant must submit a written withdrawal request signed by the Applicant’s duly authorized representative addressed and submitted to the Solicitation Lead.
 7. **No Late Applications** – In order for an application to be considered, the complete application package must be received by the Solicitation Lead, by no later than the Application Deadline. An application that was sent but not received by the Applicant Deadline is a non-qualifying application.
 8. **No Public Opening** – There will be no public opening of the application packages for this Solicitation.
 9. **California Public Records Act (CPRA)** – All documents, information and records provided to or made available to CARB in response to this Solicitation become the sole and exclusive property of CARB. CARB is a public agency subject to the disclosure requirements of the California

Public Records Act ("CPRA"). If trade secret or proprietary information is contained in documents or other information submitted by the applicant as a part of the application package, and the applicant has expressly claimed that such information falls within one or more CPRA exemptions, then the applicant must clearly mark such information "CONFIDENTIAL AND PROPRIETARY" and identify the specific lines containing the confidential information on each document before submitting the application package to CARB. In the event of a request for such information, CARB will make reasonable efforts to provide notice to the applicant prior to disclosure under the CPRA. If the applicant contends that any documents are exempt from the CPRA and wishes to prevent disclosure, the applicant is required at its own cost, liability, and expense to obtain a protective order, injunctive relief, or other appropriate remedy from a court of law in Sacramento County at least three (3) business days before CARB's deadline to respond to the CPRA request. If the applicant fails to obtain such a court remedy within said timeframe, then CARB may, at its discretion, disclose the requested information and CARB shall not be liable or responsible for such disclosure. Applicant agrees that it shall defend, indemnify, and hold CARB harmless for, from and against any and all claims that may or do result from denial by CARB of a CPRA request for any applicant information.

10. **Confidentiality** – All data and information obtained from CARB by the applicant or provided to the applicant or its agents in this Solicitation process, including reports, recommendations, specifications, and other data, shall be treated by the applicant, and its agents, representatives, sub-consultants, assigns, and employees, as confidential. The applicant and its agents, assigns, employees, sub-consultants, and representatives shall not disclose/communicate this information to a third party or use it in advertising, publicity, propaganda, or in another job or jobs, unless written consent is obtained from the CARB. In addition to the requirements of the CPRA, CARB may be under other legal obligations for release or disclosure of the information contained in any application package submitted and makes no warranty or representation that such information and accompanying documents will not be released where required or allowed to be released by applicable law.
11. **Electronic Mail Address** – Communications regarding this Solicitation will be conducted by electronic mail (email). Potential applicants agree to provide the Solicitation Lead with a valid email address with the application. CARB is not responsible or liable for email communications that do not make it to the intended destination (receiver). If in doubt about the sending or receipt of any email communication, each applicant is required to contact the Solicitation Lead to confirm whether an email has been received, BEFORE any applicable deadlines.
12. **Use of Electronic Versions of the Solicitation** – This Solicitation is made

available by electronic means. In the event of conflict between a version of the Solicitation in the applicant's possession and the version maintained by the Solicitation Lead, the version maintained by the Solicitation Lead will govern.

13. **Assignment of Clayton Act, Cartwright Act Claims** – In submitting an application to this Solicitation, the responding person and/or entity offers and agrees that, if the application is accepted and results in the execution of a Grant Agreement, then it will assign to CARB all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) and, where applicable, under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from or relating to any and all purchases of goods, materials, or services by said responding person and/or entity relating to the Grant Agreement obligations.
14. **CARB Rights** – the CARB reserves the right to do any of the following at any time:
 - a. Reject any or all application(s), without indicating any reason for such rejection;
 - b. Waive or correct any minor or inadvertent defect, irregularity, or technical error in an application, in the Solicitation or the Solicitation as part of any subsequent grant negotiation;
 - c. Request that an applicant or applicants supplement or modify all or certain aspects of a submittal or other documents or materials that have been submitted;
 - d. Terminate the Solicitation at any time (even after an intent to award has been determined), and at CARB's sole discretion, issue a new Solicitation;
 - e. Procure services or issue grants specified in this Solicitation by any other legal means;
 - f. Modify the selection process, the grant terms, or the contents or format of the forms, conditions, instructions, or requirements;
 - g. Extend or modify deadlines specified in this Solicitation or in the grant agreement, including deadlines for accepting applications;
 - h. Modify any terms and/or conditions of the sample Grant Agreement (Exhibit B);
 - i. Terminate failed negotiations without liability, and negotiate with other applicants;
 - j. Negotiate with any or none of the applicants;
 - k. Disqualify any applicant or Grantee on the basis of a real or apparent conflict of interest, or evidence of collusion that is disclosed by the applicant or other data available to CARB;

1. Eliminate, reject, or disqualify an application from any applicant who fails to submit a responsive application or who later fails to demonstrate that they are a responsible applicant, as determined solely by the CARB;
 - m. Accept all or a portion of an application;
15. **No Contract/No Agreement** – this Solicitation and the selection process shall in no way be deemed to create a binding contract or agreement of any kind between CARB and any applicant, nor shall any information herein be construed as a representation or warranty on behalf of CARB or as a statement on which the applicant may justifiably rely in executing any license or agreement with CARB. All legal rights and obligations between any successful applicant and CARB will come into existence if and only if a Grant Agreement (Exhibit B) is signed by authorized representatives of both parties and approved by CARB. The legal rights and obligations of each party shall at that time be only those rights and obligations which are set forth in the approved and fully executed Grant Agreement.
16. **Prohibition of Gifts** – CARB officials are subject to several legal and policy limitations regarding receipt of gifts from persons, firms or corporations either engaged in business with CARB or proposing to do business with CARB. The offering of any gift may be grounds for disqualification. To avoid even the appearance of impropriety, applicants intending to submit or submitting an application shall not offer any gifts or souvenirs, even of minimal value, to any CARB officers, employees, or advisors.
17. **Nondiscrimination** – In the performance of the Grant Agreement, the applicant acknowledges, agrees and understands that the selected Grantee and all of its contractors, subcontractors, subgrantees, affiliates, employees, agents and assigns shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (over 40), sexual orientation, or veteran or military status, nor shall any employee be discriminated against or harassed based on a request for or because of taking family-care leave, medical-care leave, or pregnancy-disability leave. The applicant acknowledges, agrees, and understands that the selected Grantee and its contractors, subcontractors, subgrantees, affiliates, employees, agents, and assigns shall ensure that the evaluation and treatment of employees and applicants for employment are free from such discrimination and harassment. Furthermore, the selected Grantee and its contractors, subcontractors, subgrantees, affiliates, employees, agents, and assigns shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.).

The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of title 2 of the California Code of Regulations, are incorporated into the Grant Agreement and into this Solicitation by this reference, and made a part hereof as if set forth in full. The selected Grantee, its contractors, subcontractors, subgrantees, affiliates, employees, agents and assigns, is required to give written notice of their, its, his, her obligations under this clause to all labor organizations with which their exists collective bargaining or other agreement.

The selected Grantee will include the nondiscrimination and compliance provisions of this clause in all contracts, agreements, and subcontracts to perform work under the Grant Agreement.

18. **Environmental Justice** – In the performance of the Grant Agreement, the applicant acknowledges, agrees, and understands that the selected Grantee is required to conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, genders, cultures, and income levels, including minority populations and low-income populations of the State of California. Equal access includes, but is not limited to, ensuring language barriers are fully addressed to the satisfaction of CARB and as otherwise required by local, state, or federal law.
19. **Non-Conforming Submissions** – A submission may be construed (at CARB’s sole discretion) as a non-conforming proposal, ineligible for consideration or incomplete if it does not comply with all the requirements of this Solicitation. Such submissions shall be treated as non-qualifying (non-responsive) applications.
20. **Conflict of interest** – Each applicant certifies that it is in compliance with applicable state and federal conflict of interest laws at the time it submits its application to this Solicitation and shall remain in compliance with all such laws during the Solicitation process, and, if selected, during the Term of the fully executed Grant Agreement, and during all extensions. An applicant will have no interest, and will not acquire any interest, direct or indirect, which will conflict with its ability to impartially perform under, or complete the tasks described in, the sample Grant Agreement (Appendix B) An applicant must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties with its application package. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in an applicant’s ability to perform and carry out all obligations under the Grant Agreement. Each applicant must immediately advise CARB in writing of any potential new conflicts of interest.
21. **No Right to Protest** – Applicant acknowledges, understands, and agrees that consideration for and award of a grant is fully discretionary and at no

time shall applicant be entitled to protest, appeal, or challenge a decision to reject or accept an application, disqualify an applicant or an application, or withdraw or amend the Solicitation in whole or in part.