

Applicant Zoom Conference Questions and Answers for the Fiscal Year 2021-2022 and Fiscal Year 2022-2023 Advanced Technology Demonstration and Pilot Projects Grant Solicitation

Notice: New Application Deadline

Due to the large quantity of questions received during the applicant teleconference, CARB will accept applications to the Fiscal Year 2021-2022 and Fiscal Year 2022-2023 Advanced Technology Demonstration and Pilot Projects Grant Solicitation until **5 p.m. on October 26, 2023.**

Introduction

On August 23, 2023, California Air Resources Board (CARB) held the Applicant Zoom Conference to answer questions regarding the Fiscal Year (FY) 2021-2022 and FY 2022-2023 Advanced Technology Demonstration and Pilot Projects Grant Solicitation. The solicitation is a joint CARB and California Energy Commission (CEC) funded opportunity to showcase advanced technologies in the demonstration or pilot phase of commercial deployment.

The Advanced Technology Demonstration and Pilot Projects program goal is to accelerate the deployment of cleaner and more efficient vehicles, equipment, vessels, and infrastructure into the marketplace more quickly, realizing emission reductions in communities most impacted.

The questions and answers in this document include those received via email before the Applicant Zoom Conference and questions raised during the conference. The following written responses take precedence over verbal responses given during the Applicant Zoom Conference.

Contents

Applicant Zoom Conference Questions and Answers for the Fiscal Year 2021-2022 and Fiscal Year 2022-2023 Advanced Technology Demonstration and Pilot Projects Grant Solicitation	1
Notice: New Application Deadline	1
Introduction.....	1
Submitted Questions:	2
Definitions.....	2

Application Process.....	4
Questions About Funding.....	13
Eligibility	16
Match Contributions.....	23
Insurance.....	30
Emission Calculator	32
Demonstration Phase and Data Collection	34
Green Zones.....	37
Commercial Harbor Craft	41
Miscellaneous.....	44

Submitted Questions:

Definitions

1. **Question:** Solicitation, bottom of page 12: “All projects that receive GGRF will be required to provide GHG emission reductions. Fuel alone cannot be the only source of GHG emission reductions.” What does that mean? What else would it come from in this context?

Answer: It means that using just low carbon intensity fuel, such as renewable diesel cannot alone be the basis for eligible GHG emission reductions. Eligible GHG emission reductions need to come from the application of advanced technology, such as fuel cells and batteries, or where eligible, hybrid systems when compared to their diesel equivalents. Emission reductions come from fuels with a lower carbon intensity than diesel and more efficient operations compared to conventional fuels. Refer to Appendix D, Quantification Methodology for more information.

2. **Question:** Can CARB provide examples of sources of GHG reductions other than fuel (as referenced on p. 12 of the Grant Solicitation)?

Answer: Use of advanced technology like fuel cells or battery systems would be an example where GHG reductions are based on more than just fuel source. Just relying on the use of renewable diesel fuel, or using a CARB certified engine, for GHG emission reductions will not be allowed. Refer to Appendix D, Quantification Methodology for more information.

3. **Question:** What is the definition of "pre-commercial" in this narrative?
Answer: Technology not yet offered for sale in the marketplace. Refer to Section I, Summary of Solicitation.
4. **Question:** Are the references in the solicitation to "USGC" meant to refer to "United States Coast Guard" (see pages 19, 38)?
Answer: USGC means United States Coast Guard. Refer to Section IV, Required Matching Funds in Solicitation.
5. **Question:** How does CARB define employees? Do full time employees vs. contractors dedicated to the project need to be designated?
Answer: CARB defines employees as full-time. Full-time employees vs. contractors need to be designated. Refer to California Labor Code Section 515.
6. **Question:** Is pre-commercial designation a rolling designation or a single point in time during the three-year span of the project (i.e., before grant award date)?
Answer: Pre-commercial is a determination made at the time of application submission. Refer to Section I, Summary in Solicitation.
7. **Question:** There is no definition of zero-emission in the solicitation, can you define zero-emission?
Answer: Zero-emission means there are no tail pipe emissions from the vehicle, equipment, or vessel while in operation.
8. **Question:** The Scope of Work sections states that "Projects that contain zero-emission trucks must meet the minimum range requirement of at least 150 miles per day." Does this mean the truck must have a range of at least 150 miles, must be operated at least 150 miles per day or does it mean something else?
Answer: The zero-emission truck must be capable of traveling 150 miles in a day and may use opportunity charging to achieve that goal.
9. **Question:** On Page 14 and 15 of the solicitation, please provide a reference for "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."
Answer: The definition referenced in CARB's Commercial Harbor Craft Regulation is on page 14 of the final regulation order, which specifies that additional requirements apply for vessels with a homebase or any regularly scheduled stop within two miles of a disadvantaged community (DAC) or priority population. For purposes of the solicitation, a project is determined to benefit a priority

population if its homebase or any regularly scheduled stop is within two miles of a DAC.

10. **Question:** Can CARB clarify what is meant by modular powertrains and energy systems as referenced on p. 13 of the Grant Solicitation?

Answer: Modular, in the context of being eligible for the Modular Zero-Emission Cargo Handling Equipment Demonstration category as explained on page 13 of the solicitation, refers to the ability to swap out the powertrain as technology advances, making the piece of equipment cleaner without requiring its redesign; it should be built to be able to swap out the dirtier powertrain for a cleaner one. Refer to Section VIII, Eligible Projects, Subsection B, Eligible Projects in Solicitation.

11. **Question:** The instructions state that 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. Please clarify what “strong ability” means.

Answer: Showing a strong ability to be deployed in the marketplace means including a compelling case in the application that the technology has the ability to be successfully deployed and adopted by end users. The application could support this with a description of technology readiness and market readiness. For reference, technology readiness and market readiness are discussed in more detail in the Long-Term Heavy-Duty Investment Strategy that is included as an appendix in each year’s Funding Plan for Clean Transportation Incentives. Describing technology readiness in the application could be used to demonstrate the maturity level of a particular technology and helps show technologies are not still in the research phase of commercialization. Market readiness could be supported by describing other market factors or drivers beyond the technology readiness, such as regulatory compliance, economic benefits, or other reasons that end users would adopt the proposed technology over incumbent technologies like diesel combustion.

Application Process

12. **Question:** Is there a limit to how many applications would be awarded?

Answer: There is no limit to how many application will be awarded.

13. **Question:** Can one Public Agency/Lead Applicant submit multiple applications for Advance Technology Demonstration and Pilots as long as the projects they will be the lead for are different?

Answer: Eligible applicants can submit multiple applications for funding for different projects. Refer to Section VI, Eligibility in Solicitation.

14. **Question:** Page 5 of the solicitation states that determination of business size is to be based on tax years in one area and calendar years in another, which is correct?

Answer: The number of full-time employees and annual gross receipts averaged over three years is based on either calendar year or tax year, whichever is most beneficial to the applicant.

15. **Question:** Is Attachment 6: Procedures for Handling Confidential Information more of a statement? Is there any form language or should an applicant simply indicate the absence or presence of confidential information?

Answer: Attachment 6 should be filled out with the name of applicant and signed and dated by an authorized representative at the bottom of the statement. See Section F of the solicitation, which gives direction of how to include confidential information, by clearly separating out all confidential pages as well as clearly labelling all pages "CONFIDENTIAL", along with providing contact information for who should be contacted if CARB receives a request for disclosure of the information claimed as confidential.

16. **Question:** Is there any commitment documentation or evidence required from project partners beyond the letters of support?

Answer: Letters of support must include a commitment to participate or contribute funds toward the project. Additionally, a statement in the project narrative as to a project partners ability to fulfill its financial commitment should be made. Refer to Section XII, Required Elements in the Solicitation.

17. **Question:** Page 31 of the solicitation says to see Attachment 11 for Applicant General Qualifications, but Attachment 11 is listed on P. 27 as Conflict of Interest.

Answer: There is a typo on page 31 of the solicitation with reference to the Appendix A Attachment that is relevant for Scoring Criteria Number 1 Applicant General Qualifications. There should not be a referenced attachment for Scoring Criteria 1.

18. **Question:** Regarding Exhibit A (SOW) and Exhibit B (Budget Form). Are these forms required? These are listed in the Table of Contents of the Solicitation, but not in the Contents for the grant application on P. 27.

Answer: Exhibit A and B do not need to be completed during the application process. Once projects are scored and ranked, CARB and the CEC determine which projects will be offered CEC funds. Projects that are offered CEC funding will be required to complete Exhibit A, B, and C.

19. **Question:** Is the Work Plan described on p. A-7 and A-8 of the Application meant to be part of the 25-page limit of the Project Narrative? Or does the Work Plan have its own page limit?

Answer: Attachment 2: Project Narrative and Workplan, has a 25 page limit that applies to the Project Narrative only. Refer to Appendix A, Application, Attachment 2, Project Narrative and Workplan.

20. **Question:** Appendix A: Is the Work Plan a subset of the Narrative, and included within the 25-page limit, or is it not included in this limit?

Answer: The 25-page limit applies only to the Project Narrative, not the Work Plan. Refer to Appendix A, Application, Attachment 2, Project Narrative and Workplan.

21. **Question:** Attachment 3 - Emissions Reductions and Cost Effectiveness: Page A-9 and A-10 of the Application - Do you want only the Excel file, or do you also want accompanying narrative?

Answer: The application must be submitted as one file. The excel file should not be attached as a separate document. Outputs from the Excel file should be converted to PDF and included in the application. In addition, all variables used in the excel spreadsheet should be included in the narrative describing the emission reductions from the project. Refer to Section X, Application Instructions in Solicitation.

22. **Question:** Is there a page limit for the Attachment 3 Emission Reduction and Cost-Effective narrative.

Answer: There is no page limit for Attachment 3. Refer to Appendix A, Application, Attachment 3, Emission Reduction and Cost Effectiveness Calculations.

23. **Question:** Attachment 4 - Budget and Schedule: Is there a page limit for this section?

Answer: There is no page limit for Attachment 4: Proposed Budget, Project Milestones, and Disbursement Schedule. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule.

24. **Question:** For the cost of vessel build, does CARB expect the labor for the build and materials for the build to be captured in the labor / materials section of the budget, or can the bid provided by the builder be captured in one lump sum under the equipment category of the budget?

Answer: The labor and materials cost from the boat builder should be sited as one number, unless the boat is being built by the end user. Refer to Appendix A,

Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule, the Sample Proposed Budget.

25. **Question:** Does electrical power go under miscellaneous for the budget?

Answer: Create a task in the budget that is for electrical power usage. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule, the Sample Proposed Budget.

26. **Question:** Do tenant fees go under miscellaneous for the budget?

Answer: Create a task in the budget for tenant fees. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule, the Sample Proposed Budget.

27. **Question:** Does insurance to operate vessel go under tenant fees?

Answer: Create a task in the budget for insurance costs. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule, the Sample Proposed Budget.

28. **Question:** Does CARB want to see separate line items in the budget for commercialization plans? Should these be itemized?

Answer: If the commercialization plans will be a funded milestone in the proposed project, then there should be a separate line item in the proposed budget. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule, the Sample Proposed Budget.

29. **Question:** Attachment 5 - Priority Populations: Attachment 5 (P. A-16) in the Application form says to use CCI Priority Population Map to determine priority populations. The solicitation, p. 17 says to use SB 1550 and SB 535 guidance. The cited SB 535 guidance is from 2015. No link is provided for CARB's SB 1550 guidance. Please confirm which of these three sources should be used.

Answer: Use the link that is provided in Attachment 5 to determine if a project meets the requirements for benefitting a priority population. This link incorporates all the requirements from SB 1550 and SB 535. The link on page 17 of the solicitation is to determine which census tracts are designated as a disadvantaged community. Refer to Appendix A, Application, Attachment 5, Priority Population Eligibility Determination.

30. **Question:** Attachment 8 - CEQA Worksheet: P. A-24 (at the bottom) says: For "not a project" include the title of an email, resolution, or letter. What does this mean? Do you need a paper trail documenting that the project is "Not a Project"?

Answer: For the purpose of determining whether an applicant’s project is subject to the review requirements of the California Environmental Quality Act (CEQA), one would start with the definition of “project” as found in Public Resources Code (PRC) Section 21065. Under PRC Section 21065, a “Project” is an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and which is any of the following:

- (a) An activity directly undertaken by any public agency.
- (b) An activity undertaken by a person which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies.
- (c) An activity that involves the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

The lead agency (and responsible agencies) will determine if an activity is a “project” under CEQA. A lead agency is defined in PRC Section 21607 as the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment. A “public agency” may be a state agency, board, or commission, any county, city and county, city, regional agency, public district, redevelopment agency, or other political subdivision. Please work with the overseeing/approving agencies to determine if any activity proposed within your application is a “project” under CEQA. If it is a “project” under CEQA, then environmental studies and review may be triggered.

When you check the box that indicates this is “not a project” under CEQA then you are telling us that the public agency with oversight or approval has determined this to be so. You will need to provide supporting documentation from said public agency to demonstrate this.

31. **Question:** There appears to be a conflict in project completion and final report due date between the solicitation and the grant agreement?

Answer: There is an error in “Appendix B Sample Grant Agreement” on page 22 under section 9.3 Final Report. The correct date for project completion and submission of the final report is March 15, 2027.

32. **Question:** We are applying as a micro-business and excursion vessel; do we need to file any CEQA documents?

Answer: Refer to response provided in Question 30.

33. **Question:** The America with Disabilities Act (ADA) reporting requirements detailed in the Sample Grant Agreement appear to be all encompassing. Please confirm that all monthly, quarterly reports, emails, and any other written materials are subject to these requirements, or do the ADA formatting requirements only apply to work product that will be posted online to CARB's website?
- Answer:** Americans with Disabilities Act (ADA) requirements apply to all products and services funded by CARB or the CEC. Therefore, documents and reports submitted to CARB and the CEC must meet the requirements for ADA as outlined in Appendix B, Sample Grant Agreement in the General Provisions, Section 13.4 Americans with Disabilities Act (ADA) Language. Refer to California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Part 1194) (collectively, the "Accessibility Requirements")
34. **Question:** The application packet mentions that we will know within a month after submitting if we don't get the funding. Are there multiple rounds of review? When will we know if our proposal has been awarded the funds?
- Answer:** The question regarding the number of reviews is unclear. However, Applicants will be notified if they have been awarded funds, with a goal of possible notification by the end of the calendar year.
35. **Question:** If an applicant is requesting funding for infrastructure, do they complete and include Exhibits A & B (CEC SOW and Proposal Budget) with their application?
- Answer:** Exhibit A & B do not need to be completed at the application phase. If a project is selected and CEC funding will be used, the applicant will be notified that they need to complete Exhibits A and B to move forward with executing a grant agreement with the CEC. Refer to Section XIII, Evaluation and Scoring in Solicitation.
36. **Question:** Do the CEC Budget Sheets in Exhibit B need to be filled out when submitting your application?
- Answer:** The CEC Budget Sheets in Exhibit B do not need to be submitted with an application. Refer to Section XIII, Evaluation and Scoring in Solicitation.
37. **Question:** Do CEC contracting conditions only apply if CEC funding is assigned to the project?
- Answer:** The CEC contracting conditions only apply if an applicant is awarded CEC funding. Applicants will not know if CEC funds will be used in support of their

project until after the application is submitted. Refer to Section XIII, Evaluation and Scoring in Solicitation.

38. **Question:** Are grantees required to comply with CEC grant terms and conditions (including financial reporting and invoicing requirements) only if the project includes infrastructure?

Answer: Projects are required to comply with CEC grant terms and conditions if CEC funds are used to support a selected project. Infrastructure funded by CARB dollars will not require the use of CEC administrative processes. Refer to Section XIII, Evaluation and Scoring in Solicitation.

39. **Question:** Do CEC requirements apply only to the infrastructure portion of a project?

Answer: Only if CEC funds are used to support the infrastructure portion of the project. Refer to Section XIII, Evaluation and Scoring in Solicitation.

40. **Question:** Public entities are required to procure all significant work in a public process and cannot identify specific contracts/contractors at the application stage. We can only provide an anticipated budget amount per activity and type of contract or service; would that be an acceptable level of detail for the application?

Answer: The project narrative should include explanation and timing of the procurement process and how the timing of the procurement process will not hinder project completion. Applications that have all project partners identified and letters of commitment from project partners at the time of application submission will score higher than those that do not. Refer to Appendix A, Application, Attachment 2, Project Narrative and Work Plan.

41. **Question:** In the document titled "Appendix A Application", the sample budgets shown on page A-14 and A-15 are not consistent with the Budget template files that are available for other programs at CARB. Please advise which Budget form should be used.

Answer: For the purpose of your application please use the sample budget shown on page A-14 and A-15 of Appendix A, Application. The Budget template located on the website is the CEC budget template and will be utilized only if a project is awarded funding by the CEC.

42. **Question:** Can you please confirm if References and Staff Information tables are required for all project team members or are they required for just the Applicant entity?

Answer: Key personnel from all project partners should be identified with references and resumes. Refer to Appendix A, Application, Attachment 10, References.

43. **Question:** Will the applicant be penalized in the scoring if they do not mention the exact model/function of some pieces of demonstration equipment if their purpose is well described in the Narrative?

Answer: Scoring will be penalized, a detailed description of equipment that is being funded should be included in the project narrative. Refer to Appendix A, Application, Attachment 2, Project Narrative and Work Plan.

44. **Question:** Members of CARB advisory groups cannot be project participants or provide letters of support or references. Can you please clarify if the working group providing input before issuance of the solicitation is considered a CARB advisory group? Is there a list of the CARB advisory groups?

Answer: The workgroups on February 8, 2023 and May 31, 2023 focused on providing input to the FY 21-22 and FY 22-23 Advanced Technology Demonstration and Pilot Project solicitation is not considered a CARB advisory group. There is currently not a list of CARB advisory groups. Refer to Section XIV, Administration, Subsection N, Other Requirements, Bullet 20, Conflict of Interest in Solicitation.

45. **Question:** The instructions state that all documents must be submitted as a single PDF. How should the GHG calculator be submitted, as an Excel spreadsheet?

Answer: The Excel spreadsheet should be formatted into PDF format. The inputs used and the output calculated should be reported in the application, CARB will validate your calculations. Refer to Section X, Application Instructions in Solicitation.

46. **Question:** Is there a file size limit?

Answer: There is no file size limit.

47. **Question:** Do all potential employees that contribute resources (time, expertise, labor) considered as match contribution to a project need to be specified/known in advance, or can they be added as needed (i.e., in subsequent phases)?

Answer: They do not all need to be specified/known in advance; however, we asked you to be as specific as possible. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule.

48. **Question:** Regarding budget, how much flexibility does CARB want to see in an application to demonstrate the applicant's ability to potentially increase or decrease a proposed project budget based on their feedback post-review?

Answer: An applicant should show their budget based on their desired project size, detailing in the Project Narrative the ability to scale a project up or down.

49. **Question:** Can additional information be submitted after the Application Deadline?

Answer: CARB will not accept additional information after the application deadline. Refer to Section X, Application Instructions in Solicitation.

50. **Question:** Can applicants provide updates to their applications, for example, with CEC award letter later?

Answer: We cannot accept additions to the application after the close date of the solicitation. Refer to Section X, Application Instructions in Solicitation.

51. **Question:** How can an applicant submit an application that proposes to use an award of funding from another state agency, such as CEC, as the In-Kind match, but the award letter is not yet available for inclusion with the CARB application?

Answer: 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) Refer to Section IV, Required Matching Funds in Solicitation.

52. **Question:** For an application that includes multiple vessels converted by the same vessel operator, could CARB approve some number of vessels and reject others or is it an all or nothing for all vessels included in the application?

Answer: If the application states that scaling of the project is allowed, CARB retains the right to adjust the project proposal. Refer to Section IX, Scope of Work in Solicitation.

53. **Question:** How does CARB expect applicants to prove that converted vehicles, vessels or pieces of equipment have a remaining useful life of 10 or more years? For example, if the original equipment before conversion has 10 or more years of remaining useful life, can we automatically assume that the converted equipment also has 10 or more years of remaining useful life? We just would like to understand CARB's expectation regarding remaining useful life of converted equipment.

Answer: The solicitation states that the applicant will demonstrate that a vehicle, vessel, or piece of equipment that will be converted to zero-emission have at least 10 years of useful life remaining or the standard useful life of the piece of equipment. A description in the project narrative should be included as to why the applicant believes that the vehicle, vessel, or piece of equipment that is being converted to zero-emission has at least 10 years of useful life left, along with

pictures or other documentation such as inspection reports or assessments from competent authorities. Refer to Section IX, Scope of Work, Subsection C, Vehicle, Vessel, or Equipment Conversions in Solicitation.

Questions About Funding

54. **Question:** Is there a per-project funding cap and/or minimum requirement?

Answer: There is a \$50 million cap on project awards. Refer to Section VIII, Eligible Projects in Solicitation.

55. **Question:** While the project is co-funded by CARB and CEC, do the CEC financial reporting rules apply only to infrastructure-related aspects of projects that include CEC funding?

Answer: Projects that include CEC funding will follow CEC reporting rules for funds under the grant agreement that the CEC has with the grantee. Some selected projects may have two grant agreements: one with CARB and one with CEC. CEC grants will focus on infrastructure components of projects that are eligible under CEC funding. CARB funds can and will be used for infrastructure as needed. Refer to Section XIII, Evaluation and Scoring in Solicitation.

56. **Question:** If a project included no infrastructure elements and does not get an award from CEC funds, do only CARB financial reporting rules apply?

Answer: CARB only grant agreements will follow CARB financial reporting rules. Refer to Section XIII, Evaluation and Scoring in Solicitation.

57. **Question:** If a project is funded by CARB only, do we use only the CARB budget worksheet?

Answer: CARB only funded grants will only use the CARB budget worksheet. Refer to Section XIII, Evaluation and Scoring in Solicitation.

58. **Question:** When is funding expected to be made available for successful applicants?

Answer: As soon as grant agreements with successful applicants are executed—which is expected to take place in the first quarter of 2024.

59. **Question:** The solicitation document says FY 2021-22 budget for this grant program is \$40 million and FY 2022-23 budget is \$135 million. Is there any unallocated or leftover fund from FY 2021-22 budget?

Answer: There is no unallocated funding from FY 2021-22; all allocated funds from FY 2021-22 are incorporated into this solicitation. However, if additional

funds become available and can be applied to this solicitation, additional projects may be funded.

60. **Question:** Will the Board allocate additional funds to this program for FY 2023-24?

Answer: The state budget for FY 2023-24 did not allocate funding to the Advanced Technology Demonstration and Pilot Project Program.

61. **Question:** Was it true that the California state budget for 2023-2024 has not allotted funds for this program and for how long or for how many more years is this program expected to continue?

Answer: Funding for this solicitation has already been appropriated by the Legislature. The budget has not allocated additional funding for this year (2023-24), for demonstration and pilot projects. Future appropriations are determined through the annual State budget process.

62. **Question:** Can you confirm the maximum and minimum amount of funding for a single project?

Answer: The maximum amount of CARB funding for a single project is \$50 million. The Green Zones category has a minimum of \$750,000. All other project categories have no minimum funding amount. Refer to Section VIII, Eligible Projects in Solicitation.

63. **Question:** Is \$50 million the maximum amount of funding a single project can receive? Or is \$50 million the cap for CARB only funding and additional funding may be available if the project is also eligible as a CEC infrastructure project?

Answer: The maximum award for any one project is \$50 million in combined CARB and CEC funds. Refer to Section VIII, Eligible Projects in Solicitation.

64. **Question:** Outside of the funding designated for marine vessels, is there a minimum funding amount for the other proposed project categories?

Answer: Each of the eligible project categories in the solicitation, except Commercial Harbor Craft Regulatory Compliance Funding, does not have a minimum amount of funding. Not all project categories are required to be funded. Refer to Section VIII, Eligible Projects in Solicitation.

65. **Question:** How will we know which grant requirements are applicable to our project (CEC vs CARB) prior to application or award? Will the fund source (CARB vs CEC) affect the rules governing the agreement (and project management/invoicing process)?

Answer: Applicants will not know if either CARB or the CEC funds will be used to fund their proposed project if selected for funding. If a project is funded by CEC, then the CEC accounting rules apply for those funds. If a project is funded by CARB, then CARB accounting rules apply for those funds. If both CARB and the CEC funds are used for a project, then both CARB and the CEC accounting rules will apply.

66. **Question:** Please clarify the expectations for public entities: If a public entity utilizes a public procurement process for its contracts, can you confirm that those contracts (whether they are for design, construction management or construction) are NOT considered subrecipients of State funding? In the CEC rules, there seems to be only references to “vendors” and “subrecipients”, which leaves out a category of contractor that may be the primary project delivery mechanism for most public entities.

Answer: Any entity contracted under the public contracting procurement process that receives the CEC funding is considered a subrecipient of the project.

67. **Question:** Some prior CARB grants have not provided reimbursement until the end of the project. However, small publicly funded entities cannot carry the full cashflow of a large project (over \$1 million) without reimbursement throughout the course of the project. Will progress payments be available for project costs on a monthly or quarterly basis?

Answer: The Advanced Technology Demonstration and Pilot Project program pays on completion of project milestones outlined in the grant agreement, not only at the conclusion of a project. The applicant team should propose realistic and feasible frequency of payments by creating achievable milestones in their application, subject to CARB approval in a final grant agreement.

68. **Question:** Please clarify the reimbursement schedule and the association to milestones, and what is required to request payment.

Answer: There is no set reimbursement schedule. Reimbursement can be requested throughout the duration of the project if the grantee has a reimbursable milestone. See Appendix B Sample Grant Agreement Section 7.4 Grant Disbursements for further requirements.

69. **Question:** What is the typical reimbursement time for invoices submitted by a grant awardee?

Answer: Reimbursement packets that are complete, with no errors, are typically paid within six weeks.

70. **Question:** Does CARB allow for advances when invoicing or will all invoices be reimbursable?

Answer: All invoices will be based on reimbursement and all applications should be structured solely on a reimbursement basis; for any proposed requests for advance pay, then CARB's advance pay regulations apply (as referenced in Appendix B, Sample Grant Agreement). Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule.

71. **Question:** Does a company that is a subrecipient under the CEC grant requirements that was receiving under \$100,000 need to fill out the CEC Budget Sheets in Exhibit B and include direct labor loaded labor rates and fringe benefits?

Answer: The CEC does not require the disclosure of direct labor rates, loaded labor rates, and fringe benefits if the subrecipient will receive less than \$100,000.

72. **Question:** For projects that purchase and deploy ZEV technologies, will the lead applicant be responsible for providing reimbursement to project partners, or can CARB provide funding directly to those partners for reimbursement?

Answer: The lead applicant, once a project is selected for funding, becomes the grantee. The grantee will submit disbursement requests to CARB or CEC as appropriate. CARB and the CEC will process requests for payment and the State Controller's Office will issue payment to the grantee who will then provide reimbursement to project partners according to their own sub agreements. Refer to Appendix A, Application, Attachment 4, Proposed Budget, Project Milestones and Disbursement Schedule.

73. **Question:** Can grant funds be used to meet local mandates?

Answer: CARB cannot speak to a local mandate. Refer to VIII, Eligible Projects in Solicitation for what the funds can be spent on.

Eligibility

74. **Question:** CARB's grant solicitation document states that the following entities are eligible to receive the funding: "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." Could you provide some more clarity on the types of entities eligible to submit an application? For example, are local air districts and port authorities considered public entities?

Answer: Public agencies include local air districts, port authorities, harbor districts, counties, cities, public universities, federal agencies, national labs, and any other organization that is supported by public funding and may have a governing board. California-based non-profits are also eligible, including business

associations, private universities, and other not-for-profit enterprises that have some experience in implementing emission reduction projects. Refer to Section VI, Eligibility in Solicitation and Govt Code Section 51151.

75. **Question:** Is the port of Oakland considered a municipality for purposes of submitting an application since we're a department of the city of Oakland?
Answer: The port is a public agency, therefore is an eligible applicant.
76. **Question:** Can an air district be considered a municipality?
Answer: An Air District is a public agency, therefore is an eligible applicant.
77. **Question:** A transit district is very interested in applying for the Advanced Technology Demonstration and Pilot Program. We are particularly interested in applying for Hydrogen Fuel Cell transit buses and temporary fueling infrastructure. This project would be located in a low-income community. I did not see public transit buses listed as eligible in the guidelines, please advise if this project would be eligible.
Answer: There is not a specific category for zero-emission transit buses and infrastructure, however, they could be eligible as part of a Green Zones project. Refer to Section VIII, Eligible Projects in Solicitation.
78. **Question:** Would a zero-emission rail project that tests four hydrogen-fueled, Zero-Emission switcher locomotives be an eligible project under the CARB FY 2022-2023 - Advanced Technology Demonstration and Pilot Projects solicitation?
Answer: A zero-emission rail project could be an eligible project. Refer to Section VIII, Eligible Projects in Solicitation.
79. **Question:** Zero-emission switchers are eligible under this solicitation but would a switcher only project be competitive against a project that proposes both switcher and linehaul locomotives?
Answer: CARB encourages demonstration of zero-emission operations in locomotives. A project will be judged on its merits. Refer to Section VIII, Eligible Projects in Solicitation.
80. **Question:** Leasing remains eligible for the Advanced Technology Demonstration and Pilot Project Program, correct?
Answer: Leasing may be an eligible cost.
81. **Question:** Are Hybrid RTGs (Rubber Tired Gantry Crane) eligible for funding?

Answer: Hybrid RTGs may be eligible for funding under several eligible categories. Refer to Section VIII, Eligible Projects in Solicitation.

82. **Question:** In places in the Solicitation, it looked as if only public entities and non-profits are eligible to apply for funding, but in other places, it seemed as if businesses could apply as well. As a small business, are we eligible to apply for this funding?

Answer: Private business are not eligible to directly apply for funding; they must team with eligible applicants that are either California based public entities or California based non-profits. Interested small businesses that wish to be part of an application for funding should team with a qualified applicant to submit their application and commit to administer the project for its duration. Refer to Section VI, Eligibility in Solicitation.

83. **Question:** Can a small business participate in an eligible project with a partner who is a public entity or non-profit?

Answer: A small business participant can participate in an eligible project as a project partner with an eligible participant. Refer to Section VI, Eligibility in Solicitation.

84. **Question:** Is it feasible to consider using spraying drones for an Advanced Technology Demonstration and Pilot Project application?

Answer: Zero-emission agricultural spraying drones are an eligible technology under the Zero-Emission Aviation and Ground Support Equipment category in the Eligible Projects section of the solicitation. Refer to Section VIII, Eligible Projects in Solicitation.

85. **Question:** Are Transportation Refrigeration Units eligible for funding?

Answer: Zero-emission transportation refrigeration Units (TRUs) may be eligible for funding when used on containers in the Port Vehicles and Equipment category. Additionally, TRUs may be eligible under the Green Zones category as part of a larger project. Refer to Section VIII, Eligible Projects in Solicitation.

86. **Question:** For an Infrastructure only project (meaning that equipment using the station is not being funded by the grant request), how should applicants address Attachment 3 requirements in Appendix A? Or must applicants include equipment that will use the fuel station as part of their overall project, so that some emission reductions can be assigned overall to the total project?

Answer: There is only one infrastructure-only eligible project category, the Resilient Zero-Emission Vessel Charging Project. Applicants wishing to apply to this category should be using a zero-emission vessel as match and therefore the

emission reductions associated with the project come from the vessel. Refer to Section VIII, Eligible Projects in Solicitation.

87. **Question:** Would a project that demonstrates a mobile fueling/charging solution for zero-emission equipment be eligible as a stand-alone project. The proposed project would not include funding for zero-emission equipment, only the mobile fueling/charging equipment? The potential project would propose deployment of these mobile fueling/charging units at rental companies, with the end users being a variety of zero-emission off-road/construction/agricultural/on-road equipment operators throughout the region.

Answer: There is only on infrastructure only category, the Resilient Zero-Emission Vessel Charging Project. An infrastructure only project without an identified end user will not score as well as an application that has end-users identified and committed to the project. Refer to Section VIII, Eligible Projects in Solicitation.

88. **Question:** If a municipality were acquiring some zero-emission trucks for part of their fleet and wanted to have charging infrastructure at the city yard, where public access is not allowed, but also wanted to fund charging infrastructure for drayage trucks that are based in the city, would that be eligible?

Answer: Yes, as part of a larger Green Zones project. Refer to Section VIII, Eligible Projects in Solicitation.

89. **Question:** Are insurance costs an eligible expense?

Answer: Additional insurance purchased to satisfy the requirements of the grant agreement may be eligible.

90. **Question:** Can eligible costs cover both the applicant for the full project term and the demonstrator for the planning / engineering and demonstration phase?

Answer: Costs incurred by the applicant and the project partners may be eligible if they are clearly identified in the project budget and the grant agreement between CARB and the applicant. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

91. **Question:** Can these funds be used for new construction of an electric excursion vessel for a micro business?

Answer: Funds may be used for new construction of an electric excursion vessel for a microbusiness. Refer to Section VIII, Eligible Projects in Solicitation.

92. **Question:** Are retrofits only allowable on Commercial Harbor Craft or do they apply to other eligible vehicle applications?

Answer: Retrofits—the replacement of one combustion technology for another—are eligible in three categories: Commercial Harbor Craft Regulatory Compliance Funding, Modular Powertrains for cargo handling equipment and Green Zones. Refer to Section VIII, Eligible Projects in Solicitation.

93. **Question:** Repower Cost: Our project includes conversion of existing diesel cargo handling equipment into hydrogen fuel cell-powered one with modular hydrogen fuel cell based powertrains and energy systems. Are both diesel equipment purchase cost and conversion cost eligible costs?

Answer: Both the cost of the fuel cell based powertrain and the cost of the diesel cargo handling equipment that will be converted to zero-emission may be eligible costs in a proposed project.

94. **Question:** Can a single project be eligible for multiple project categories defined in the solicitation? Can a single project be eligible across multiple funding years and multiple project categories?

Answer: There is no limit to the number of eligible categories that an applicant can apply for in a single application. A single project can have multiple funding years as well. Refer to Section VIII, Eligible Projects in Solicitation.

95. **Question:** Are design/build construction projects (and all related costs) eligible for these funds?

Answer: Construction of infrastructure, including buildings to service or house equipment or vehicles and other structures that are part of a larger project may be eligible under this solicitation. Refer to Section VIII, Eligible Projects in Solicitation.

96. **Question:** For the municipal green zone projects, can we use grant funding for a vehicle that has been ordered but not yet received or paid for?

Answer: If selected as a grantee, and the applicant has included a milestone for ordering the vehicle in the budget, then there could be an eligible cost for that milestone. That being said, we are on reimbursement basis and the cost of the vehicle could not be disbursed until it has been paid for by the project team. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

97. **Question:** Are daily operating costs for a previously built (and currently operating) zero-emission public ferry an eligible “project”?

Answer: Not as a stand-alone project. However, an existing zero-emission ferry and its operation can utilize the assets under the Resilient Zero-Emission Vessel Charging Project category. Refer to Section VIII, Eligible Projects in Solicitation.

98. **Question:** For pre-commercial vehicles, can the design, testing and data collection of charging infrastructure as it services the pre-commercial vehicle, be considered an eligible cost under this solicitation?
- Answer:** The costs of development, deployment, testing, and data collection of equipment is an eligible cost. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.
99. **Question:** Would other companies using key technology in successful operations meet the requirement for precommercial demonstration? Example: A gasifier using biomass as feedstock.
- Answer:** There is not a requirement that technologies funded by this solicitation be precommercial. This solicitation may fund both precommercial and commercialized technologies. Refer to Section I, Summary in Solicitation.
100. **Question:** Can tenant fees be billed during both the infrastructure construction phase and the vessel demo phase? Are tenant fees an eligible cost for reimbursement or match.
- Answer:** Tenant fees for marine vessels that are beyond what is currently being paid to support existing business operations are an eligible expense as cash match or reimbursement during the demonstration/data collection phase only. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.
101. **Question:** Can one project fund two separate and competing hybrid systems to see which one is best?
- Answer:** A single project can fund two separate but competing hybrid systems. Refer to Section VIII, Eligible Projects in Solicitation.
102. **Question:** Are technologies that reduce emissions eligible? For instance, would an anti-idling pilot program for emergency vehicles be eligible?
- Answer:** An anti-idling pilot or other emissions reduction technology could be part of a larger Green Zones project. Refer to Section VIII, Eligible Projects in Solicitation.
103. **Question:** Are emerging hydrogen production technologies and refueling equipment eligible for application on their own so long as their project location benefits disadvantage communities?
- Answer:** For infrastructure only projects to qualify for the Resilient Zero-Emission Vessel Charging Project, vessels or equipment that will use hydrogen infrastructure need to be identified in the application. Refer to Section VIII, Eligible Projects in Solicitation.

104. **Question:** Does this grant allow for portions of the total project to be funded during the grant timeline ending in 2027? For example, if the proposed grant scope is design, permitting and equipment procurement for a facility and all these tasks will be completed in 2027 is it acceptable to have construction/commissioning of the facility occur post 2027 if this is excluded from the proposed grant scope.
- Answer:** All elements of the project must be completed by the end of the grant term, which is 2027. Funded projects must have an actual field demonstration of the technology by the end of the grant term.
105. **Question:** Does this grant allow for research and development of emerging technologies for hydrogen production? For example, costs associated with patent development, lab testing, lab equipment for improvements on existing equipment which would yield higher efficiencies on hydrogen production. 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.
- Answer:** If it is part of a larger project that will use the advancement in hydrogen production that includes field demonstrations of the developing technology mentioned, as well as of vehicles or equipment that will operate on the hydrogen produced.
106. **Question:** If key technology is already at a higher TRL level (7,8,9) level does there need to be evidence of successful demonstration/pilot projects?
- Answer:** If the technology is commercially available, it is considered commercialized, and evidence of a successful demonstration or pilot project is not required.
107. **Question:** Can zero-emission transit apply? Is a transit bus eligible under the Green Zones project category?
- Answer:** Zero-emission transit buses can apply only under the Green Zones project category. Transit buses are eligible under the Green Zones project category. Refer to Section VIII, Eligible Projects in Solicitation.
108. **Question:** Are the costs to the grantee, like support staff, an eligible expense?
- Answer:** Salaries for support staff are an eligible cost if identified in the budget. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.
109. **Question:** Is support staff needed for grant tracking and reporting an eligible expense?

Answer: Support staff for grant tracking and reporting is an eligible expense. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

110. **Question:** Do funded electric vehicle chargers need to be publicly accessible, or can they support charging within the municipalities private corporate yard?

Answer: Electric vehicle and equipment chargers do not need to be publicly accessible. However, if the infrastructure installation allows for public access, applications may score higher than applications that do not. Refer to Section IX, Scope of Work, Subsection D, Infrastructure.

111. **Question:** Are there special considerations for municipalities who operate their own utility? Specifically, any restrictions on funds for purchasing and installing electric vehicle chargers.

Answer: There are no restrictions on municipalities that own their own utility regarding the purchase and installation of electric vehicle chargers as part of a proposed project. Refer to Section IX, Scope of Work, Subsection D, Infrastructure.

112. **Question:** Can project proposals allow for additional vessel engineering design activities which may not result in the actual vessel construction?

Answer: Generally, no. However, projects can contain commercialization milestones as part of their application if those take place during the course of the project and are connected to the deployment of a vessel. Refer to Section VIII, Eligible Projects in Solicitation.

113. **Question:** Can one application have vessels from multiple ports spanning multiple eligible project categories?

Answer: An application can have vessels from multiple ports spanning eligible project categories, but an application is limited to a maximum funding request of \$50 million. Refer to Section VIII, Eligible Projects in Solicitation.

Match Contributions

114. **Question:** Stacking. Solicitation p. 4 describes allowable stacking. Can other grants that are not listed be stacked onto this funding?

Answer: Other programs that allow stacking and that are not funded by greenhouse gas reduction funds may be used as stacking. Any requirements tied to the other source of funds must be met.

115. **Question:** Are there any programs or vouchers that can NOT be stacked on this funding? Can vouchers (like CaleVIP) be used as stacking or match?

Answer: It is not possible to identify in advance all programs that can't be stacked, but other programs funded by greenhouse gas reduction funds (GGRF) cannot be stacked, as well as any other funding program that prohibits stacking. An exception has been made for applications for zero-emission Commercial Harbor Craft projects that will be operated by a micro or small business and the Volkswagen Mitigation Trust Fund program. The CaleVIP voucher program cannot be used for stacking or match.

116. **Question:** To what extent can an existing excursion vessel company be leveraged in the matching component of the proposal?

Answer: Match can either be cash match or In-Kind match. Dependent on the project proposal, an existing excursion vessel company could leverage its assets for either match.

117. **Question:** Can you please go into greater detail about what does and doesn't qualify as an In-Kind donation?

Answer: In-Kind match refers to materials, equipment, and services provided by project partners or project partner assets owned before the start of the project, as identified as match in the application. This may include, but is not limited to, staff time, direct salaries, and benefits, and fueling infrastructure. Costs that do not qualify are associated with project facilities, laboratories, docks, hangers, or property whether owned or leased by the grantee or technology manufacturer. In addition, funding from GGRF, with the exception of CORE funding for zero-emission Commercial Harbor Craft projects, cannot be used as match.

118. **Question:** Describe differences in In-Kind vs cash match dollars.

Answer: The difference between In-Kind and cash match is based on when the funding is being used. In-Kind match refers to assets that the project partners own before the start of the project. Cash match occurs after the project starts and a project partner uses cash to contribute to the completion of a milestone outlined in the grant.

119. **Question:** If a project includes a piece of equipment as match funding, but the project and thus, the associated grant request is for infrastructure only, can the applicant claim emission reductions associated with the equipment even though it is only match?

Answer: Infrastructure projects alone are only allowed in the Resilient Zero-Emission category. If projects have vehicles as match utilizing the infrastructure of the project, those emission reductions can count towards the emissions reductions of the project.

120. **Question:** Page 5, there is a requirement that: "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." Do applicants who are not trying to qualify for Micro or Small business status also have to prove business size (yellow) and provide gross receipts as specified in red?

Answer: Only applicants that seek to qualify as a micro or small business need to submit documentation as to business size.

121. **Question:** Please clarify how the applicable matching funds will be determined. Is it solely based on the size of the business for the end user or primary technology developer, regardless of the size and/or type of other project partners?

Answer: The required match is determined by the main end-user or main technology developer.

122. **Question:** On Page 5 related to Match fund requirements: If a project has several different demonstration partners, and one of the partners does qualify for small business status (and so demonstrates), can the 3:1 match ratio apply to this project component even if the applicant is a large business and 50/50 match applies to the other project components?

Answer: Even if a micro or small business has a project component, the required match is determined by the main end-user or the main technology developer. If both main entities are not a micro or small business, then the requirement is 1:1 match, regardless of other project partners. Refer to Section IV, Required Matching Funds in Solicitation.

123. **Question:** If a micro company is the prime applicant, although they have larger companies listed as subcontractors or contributors to the project, is the cash contribution required still 15%?

Answer: If the micro company is the primary identified end user or primary technology developer in the grant application, contribution of match is 15% regardless of project partner size.

124. **Question:** On Page 6: Please confirm that GGRF funds for non-Commercial Harbor Craft projects may not be used as match funding?

Answer: Correct. GGRF funds may not be used as match for all other projects except Commercial Harbor Craft projects.

125. **Question:** To operate new and novel rail vehicles on the general US rail network in a demonstration or pilot program, the host railroad will need to work with the

Federal Railroad Administration (FRA) to approve the proposed project. This process requires the creation of an application that describes the project, operating principles and safety mechanisms and must be formally submitted to the FRA and approved prior to the service start. The approval only applies to the proposed project location and doesn't guarantee operation elsewhere in CA or out of state. Assuming this effort takes place after full execution of the grant agreement, would these administrative activities be considered eligible for In-Kind match funding?

Answer: Costs associated with FRA approval processes that take place after grant execution are eligible as In-Kind match funding. Acceptable In-Kind contributions include the commitment to use existing assets, such as tires or lube oil, before execution of a grant agreement, for use in the project. Generally, In-Kind contributions made before the execution of a grant agreement are not allowed. However, costs associated with USCG approvals of marine vessel projects will be allowed as In-Kind match even if those costs were incurred before the execution of the grant agreement.

126. **Question:** Can you clarify what constitutes a "cash" match? Are all expenditures incurred after the grant contract is signed considered "cash"?

Answer: Please see answer to question 118.

127. **Question:** Is staff time to develop programs, policies, or public outreach processes eligible for grant funding and/or can it be counted toward match funding?

Answer: Staff time to implement milestones, such as development of programs, policies, and outreach, in a grant agreement are eligible for either direct reimbursement or as match funding. Time spent developing an application is not eligible for reimbursement or match. However, after an award has been issued for a project, the applicant's time to execute the grant agreement, resolve CEQA requirements, and other administrative activities required to start the project can be counted as In-Kind match funding in the application.

128. **Question:** Match: For a Green Zone application whose "end-user" might be a City's Department of Public Works, how do we determine the match? Is it based on employee size of the Department or the City?

Answer: Typically, the match requirement for Advanced Technology Demonstration and Pilot projects has had a 1:1 match. For this solicitation, CARB introduced some match flexibility for California based micro and small business only. Public agencies should use the traditional 1:1 match requirement for all project partners that are not micro or small businesses.

129. **Question:** For the municipal green zone projects, can you confirm if the 50% match requirements is applicable to municipalities of over 500 employees?

Answer: Municipalities need to meet the 50% match requirement regardless of size.

130. **Question:** The guidance on page 5 is geared toward business size, not public agency size, how should a public agency consider the match requirement?

Answer: Typically, Advanced Technology Demonstration and Pilot projects have a 1:1 match requirement. For this solicitation, CARB introduced flexibility for California based micro and small business only. Public agencies should use the traditional 1:1 match requirement for all project partners that are not micro or small businesses.

131. **Question:** Our company does not appear to fall into any of the 3 descriptions for match funding that are found in the solicitation, are we able to participate?

Answer: A business's income level or number of employees is not a criterion to determine participation. If your company does not fall into the category of a micro or small business, your company is considered all other business and can participate.

132. **Question:** The solicitation on page 5, states regarding minimum match requirements based on business size, "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." seems to exclude business that have less than 100 employees but more than \$15 million in annual gross receipts?

Answer: There is an error in the solicitation on page 5. The above statement should read, "All other businesses: non-California based business of any size or California based with more than 100 employees or 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."

133. **Question:** What is the grantee's liability for match, project completion and project deliverables?

Answer: The grantee will be liable for making the match contribution if project partners fail to fulfill their commitments. The grantee is responsible for ensuring project completion and project deliverables. CARB scores projects based on past performance. Poor project performance by a grantee in the past will hinder their application score for future funding for demonstration and pilot projects. Refer to Section XIII, Evaluation and Scoring, Subsection 2, Project Team Capabilities and

Degree of Industry Collaboration.

134. **Question:** Can a charging facility already completed and functional be considered for match funding?

Answer: An existing charging facility cannot be used as In-Kind match funding. However, using a pre-existing station for a project reduces the overall project cost and risk, which may score better than projects that propose building a charging station.

135. **Question:** Will a yet to be completed recharge facility that will be operational within the project timeline be considered as match?

Answer: Yes. If the proposed project incorporates a soon to be completed charging station, the work performed after the execution of the CARB and the CEC grant agreements could be considered either cash or In-Kind match.

136. **Question:** Can the following be counted as In-Kind match: Labor expended in support of a project that occurs prior to the grant agreement?

Answer: Generally, no. Labor can only be counted for In-Kind match after the issuance of a Preliminary Award Letter but before grant agreement execution. Refer to Section IV, Required Matching Funds in Solicitation.

137. **Question:** Can the following be counted as In-Kind match: Equipment purchased prior to the grant agreement, but contributes to performance of the scope of work?

Answer: Equipment purchased prior to the execution of the grant agreement may be used and contribute to the In-Kind match.

138. **Question:** For the Commercial Harbor Craft program, is time spent complying with Coast Guard regulations eligible for cost share?

Answer: Yes, costs incurred by project partners to comply with United States Coast Guard licensing requirements are an eligible In-Kind contribution when they are incurred before the submission of the application for funding if for the vessel subject to the funding request and can count as cash match after grant execution.

139. **Question:** Confirming that cash contributions can be a combination of other federal and state funds.

Answer: Cash contributions can be a combination of other federal and state funds.

140. **Question:** If a particular battery model we provide is already commercially available, but we allocate a number to this project, how will CARB treat those assets? Match funding or eligible technology?

Answer: In order for the commercially available batteries to be used as cash match, they would need to be purchased by the project partners after grant execution; if they are purchased prior to grant execution, they would be considered for In-Kind match. Battery systems are an eligible technology for zero-emission operations.

141. **Question:** For project partners who aren't the grantee (such as Technology Manufacturers), what are examples of acceptable In-Kind contributions, and can these contributions be counted prior to the funding award?

Answer: Acceptable In-Kind contributions from project partners may include assets such as materials, services provided such as staff time, and salaries paid toward the project. In-Kind contributions may be counted before the execution of a grant. Refer to Section IV, Required Matching Funds in Solicitation.

142. **Question:** Can a recipient of a Carl Moyer award for a compliant engine count that engine as match in an application?

Answer: 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. The project application may only attribute emission reductions beyond what is required by the Carl Moyer agreement, and applications will be scored according to the emissions reductions attributable to the project.

143. **Question:** Awards from other solicitations can be used as match, but what if the announcement on the results of that solicitation are not known at the time of application submission?

Answer: State in your application that there is an award pending that will be used as part of your application's match. Any pending award must be in place by the time of grant execution.

144. **Question:** Regarding match funding for large businesses being required to be one to one or 50% of the project cost, which is the sum of the match and award from CARB and the CEC?

Answer: The 50% minimum match requirement for large business can be more than 50% of the total project cost and may score better than applications that meet only the minimum match requirement.

145. **Question:** If we are selected for funding, but we cannot get under contract by next summer, can costs associated with project implementation that occur before the execution of the grant agreement be counted as match?

Answer: Grant agreements will be executed in the first quarter of 2024. Costs incurred before grant agreement execution cannot be reimbursed but may qualify as In-Kind match if the costs are incurred by the applicant to facilitate grant execution or by project partners if a tangible asset will be used in the project.

Insurance

146. **Question:** Are the insurance limits outlined in the solicitation required by each boat owner as well as the Commercial Harbor Craft association?

Answer: The insurance limits outlined in the solicitation are for all project partners. If a Commercial Harbor Craft association is a project partner, they are required to carry insurance. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

147. **Question:** Are the insurance limits applicable to vessel related grants? Much of the stated requirements involve vehicles and there needs to be clarity on the limits for vessels.

Answer: The insurance requirements in the solicitation apply to vessels. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

148. **Question:** What is the duration of desired insurance coverage?

Answer: Insurance coverage is for the duration of the project. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

149. **Question:** Can the added insurance requirements contained be billed to the grant?

Answer: Added insurance requirements can be billed to the grant. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

150. **Question:** Is crime insurance necessary?

Answer: Crime insurance is necessary. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

151. **Question:** Is cybersecurity insurance necessary?

Answer: Cybersecurity insurance is necessary. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

152. **Question:** The insurance requirements in Appendix B are out of reach for most vessels. Has anyone confirmed that this insurance in these limits actually exists for this application?

Answer: The Sample Grant Agreement that outlines the insurance requirements is for all projects and is required for all project partners. Applicants should have a budget item for insurance. Insurance is not required to be purchased at time of application submission but before grant agreement execution. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

153. **Question:** If the insurance rates are cost-prohibitive or unattainable, is there room to negotiate a lesser rate and to identify practical insurance needs?

Answer: After the preliminary award letter is issued, negotiations may result in changes to the insurance requirements, this is not guaranteed. An applicant can include an insurance budget item in the application to cover costs to fully comply with the requirements outlined in the solicitation. Refer to Appendix B, Sample Grant Agreement, Section 7.2 Eligible Costs.

154. **Question:** Where did the insurance requirements come from and why are they needed for all applications?

Answer: The insurance requirements in the sample grant agreement are standard across a broad range of projects funded by CARBs Clean Transportation Incentives programs. Refer to Appendix B, Section 13.30 Insurance Requirements.

155. **Question:** Insurance - if a vessel operator is an applicant, who providers need to carry the required insurance? The boatyard where the conversion is done? The welding company creating the motor mounts? A community organization assisting with workforce development? The equipment suppliers? Where does the insurance requirement start and stop for the project and participants?

Answer: Only the Grantee and the Project Partners need to carry the required insurance. Refer to Appendix B, Section 13.30 Insurance Requirements.

156. **Question:** I didn't understand why electric bikes and scooters would need to be there. The crime insurance I get, it might be a good idea, but since the grant funds are all reimbursement, the work's already done. I don't know why that would be a requirement from CARB's point of view, similar for professional liability. I don't know what professional liability risks exist. I'm just very curious about where these requirements and the amounts actually came from. For these programs, do coverages exist in the marketplace?

Answer: The insurance requirements in the sample grant agreement are standard across a broad range of projects funded by CARBs Clean Transportation Incentives programs. The insurance requirements for projects come from the

experience and guidance of competent authorities. It is recommended for applicants to include an allocation in the budget for all the insurance required, CARB will not discuss changes or amendments to the grant agreement at this time and applicants should assume it is “as is” for purposes of their grant application. The applicant will be responsible for having the required insurance prior to execution of a grant. Refer to Appendix B, Sample Grant Agreement, Section 13.30 Insurance Requirements.

Emission Calculator

157. **Question:** On the financial calculator, if the vessel will be supplied with electricity from a 60% or 100% renewable electricity plan such as these, <https://www.mcccleanenergy.org/compare-options/>, should one put electricity or renewable electricity?

Answer: If the project uses 100% renewable electricity, select “REN ELEC” as the fuel type. If not 100%, select “ELEC” and state the percentage of renewable electricity used. CARB staff may use this information to manually adjust your project’s GHG emission reduction benefits accordingly. Refer to Appendix D, Quantification Methodology.

158. **Question:** On the financial calculator, how does one calculate the cost of baseline technology? For example, on a 1995 John Deere 4045 EPA Tier II engine or a 1975 Detroit Diesel EPA Tier 0 671 or a 2015 Cummings QSL9 EPA Tier III engine, how does one assign a baseline cost? What about the transmissions and other equipment removed? Any guidance on what to put in the cost of the baseline technology would be helpful.

Answer: Baseline engines are currently the cleanest available technology; the market price of the cleanest available technology should be included as the cost of the baseline technology. Refer to Appendix D, Quantification Methodology.

159. **Question:** On the financial calculator, in column C for project type, would a vessel with a 100% electric system and no generator be classified as a hybrid system?

Answer: No, it would be a zero-emission vessel. Refer to Appendix D, Quantification Methodology.

160. **Question:** On the financial calculator, is there a recommended length for the project? Is this the life of the equipment or the time for the demonstration period? Is there a minimum or maximum project life?

Answer: Calculations should be performed based on the term of the project. For example, the project length may be based on the demonstration period, the

useful life if the equipment is expected to be operated beyond the demonstration period, or what the current requirements for useful life are in the Carl Moyer Program. Regardless of the project length that is entered into the calculator, the calculation results are normalized to 2-year and 10-year impacts for evaluating benefits. See Appendix D Quantification Methodology of the solicitation for details on these different scenarios that need to be calculated for a successful application. If using the provided Quantification Methodology Calculator Tool, these scenarios are automatically calculated for you.

161. **Question:** On the financial calculator, when we used it to evaluate a short-run ferry with a low-hour exemption on an uncontrolled engine operating in a DAC limiting it to 40 hours a year and converting it to 100% electric with no generator, it showed a GHG emission reduction of -24 metric tons of CO₂. How is that going from an uncontrolled diesel engine to a 100% electric vessel increases CO₂ emissions? This makes all the corresponding cost effectiveness numbers negative too.

Answer: The emission reductions for such a project would be expected to be positive. Please ensure that information is entered into the correct fields for the Baseline (diesel) engine and Replacement (electric) engine, as well the subfields for propulsion and auxiliary engines. If there are no auxiliary engines, leave that section blank. Please also check the units for Hourly Fuel Consumption (gallon/hour for diesel, and kWh/hour for electricity). If the calculator is not giving the expected results, an applicant can submit their calculations manually using the methodology found in Appendix D, Quantification Methodology. Include calculations showing all math as an appendix to your application.

162. **Question:** If CARB's Excel calculator is used for the application, will its results automatically result in the answers to bullets #1 through #8 on pages A-9 and A-10 of Appendix A?

Answer: The applicant needs to ensure that all needed calculations are performed. Refer to Appendix D, Quantification Methodology.

163. **Question:** Attachment 3 - bullets 2, 4, 6 & 8 are confusing for me. Since the excel tool appears to really be calculating cost effectiveness based on a 2-year life and a 10 year life all using the base cost - the question for me is if the same project cost is used for all 8 bullets.

Answer: The actual cost is used for calculations that take place during the project. The anticipated cost of the technology two years after completion of the project is used for calculations that estimate costs and emission reductions. Refer to Appendix D, Quantification Methodology.

164. **Question:** How should Municipal Green Zones projects proceed with emission reduction and cost-effectiveness assessment? The category seems to allow for a very broad range of source types, but many are not included in the tool (light-duty vehicles, charging infrastructure, etc.). Also, some components that could be included in Green Zones projects likely won't have directly quantifiable emissions benefits (technical support, community outreach, training and workforce development, installation of EV chargers, etc.).

Answer: If the calculator does not meet the needs of your application, the applicant can perform a manual calculation using the methodology that is described in Appendix D. All past quantitative methodologies approved for use with Greenhouse Gas Reduction funding and supported by California Climate Investments are eligible methodologies to be used, located here, [CCI Quantification, Benefits, and Reporting Materials | California Air Resources Board](#). Show all math and cite sources and methodology used. Include an appendix to your applications for the calculations and results.

165. **Question:** If a project is proposing to replace three vessels with one larger vessel what is the baseline for the emission reduction calculations?

Answer: Sum the emissions from the three vessels assuming the baseline engines are what is the cleanest currently available and use that result as the baseline for the emission reduction calculation. Refer to Appendix D, Quantification Methodology.

Demonstration Phase and Data Collection

166. **Question:** The data collection requirements on page 9 and 10 in Appendix F for workforce development are much more time intensive to collect than the actual required emissions reduction and equipment usage data. We are very supportive of inclusive workforce development plans and measurement, but the sheer volume of data reporting here quadruples the data reporting requirements for these grants. Is there a way to simplify the data reporting requirements for workforce development so that the time/volume of data collection for workforce development is equal to the emission reduction/equipment usage data collection?

Answer: This data collection is based on the California Climate Investments reporting schedule of twice a year and is necessary. Work done in support of a project's workforce development program and development of the Workforce Development Plan are eligible project costs. Refer to Section IX, Scope of Work, Subsection E, Workforce Training and Development in Solicitation.

167. **Question:** Are zero-emission harbor tugboats required to have a minimum 3-month demonstration period, or one year?

Answer: If applying for Commercial Harbor Craft Regulatory Compliance funding, the minimum demonstration period is 3 months. However, CARB expects longer demonstration times for more advanced technology projects. For example, repowering a marine vessel's combustion engine using a CARB certified engine does not necessitate the same field demonstration duration as a new build zero-emission ferry. To be considered for non-Commercial Harbor Craft Regulatory Compliance funding, a proposed project needs to have a one-year field demonstration with data collection. Applications that are directed at Commercial Harbor Craft Regulatory Compliance funding but are not selected will be considered for the non-Commercial Harbor Craft Regulatory Compliance funding portion in the solicitation if eligible. Refer to Section IX, Scope of Work in Solicitation.

168. **Question:** For an application that contains multiple project/equipment types, is it the case that only one piece of equipment must meet the 1-year demonstration requirement? Or does every piece of equipment funded under the grant need to be demonstrated for one year?

Answer: All funded equipment must meet the one-year demonstration requirement unless the application is for Commercial Harbor Craft regulatory compliance funding. Refer to Section IX, Scope of Work in Solicitation.

169. **Question:** Since tugboats are not eligible for AB179 funds, their minimum demonstration life is 12 months, correct?

Answer: Tugboats need to have a minimum of 12 months demonstration. Refer to Section IX, Scope of Work in Solicitation.

170. **Question:** Does the 12 month field demonstration apply to all vessels or pieces of equipment funded or does the 12 month field demonstration only apply to one piece of equipment has to achieve at least a 12 month field demonstration?

Answer: All pieces of funded equipment have a required 12 month field demonstration. Projects that receive Commercial Harbor Craft Regulatory Compliance funding is the exception with a 3 month minimum field demonstration. However, CARB expects longer demonstration times for more advanced technology projects. Refer to Section IX, Scope of Work in Solicitation.

171. **Question:** What flexibility exists for the demonstration timeframe?

Answer: There is no flexibility for the demonstration timeframe. Refer to Section IX, Scope of Work in Solicitation.

172. **Question:** Can the field demonstration timeline be reduced if the project completion will take longer?
- Answer:** A field demonstration timeline cannot be reduced, it may only be extended, but that is not guaranteed. Refer to Section IX, Scope of Work in Solicitation.
173. **Question:** What if the verification process for a precommercial technology takes longer than the year-long demonstration allotment?
- Answer:** The one year field demonstration should satisfy most if not all requirements under CARB or USEPA certification or verification. Submission of an application for CARB certification should be one of the final steps in a proposed project of precommercial technology. If the verification process takes longer than the time allocated in the grant agreement, every effort will be made to extend the project. However, there is no guarantee of a project extension for any project regardless of the issues surrounding a delay. Refer to Section IX, Scope of Work, Subsection B, Vehicle Certification, Verification, and Permitting in Solicitation.
174. **Question:** Please confirm the minimum demonstration period for equipment deployed under the program as well as the minimum period of data collection that is required.
- Answer:** One year minimum for both the demonstration period and the data collection. The only exception is for projects supported by AB 179 funding for Commercial Harbor Craft regulatory compliance, which is a minimum of 3 months for demonstration and data collection. However, CARB expects longer demonstration times for more advanced technology projects. Refer to Section IX, Scope of Work in Solicitation.
175. **Question:** For pre-commercial technologies, do all vehicle/ equipment contributing participants need to go through a field demonstration of each project stakeholder's respective technology? Please clarify how this field demonstration needs to be documented.
- Answer:** All vehicles/equipment are required to have a field demonstration. Field demonstrations must be done while the vehicle or piece of equipment is in revenue service in its intended vocation by the end user. Field demonstrations should provide enough data to determine the economic viability for the continued use of the advanced technology and must collect the relevant data items identified in Appendix F, documented by status reports, data reporting requirements and the final report.
176. **Question:** How much operation of a funded vehicle, piece of equipment or vessel must happen in California?

Answer: The field demonstration must take place in California. The vehicle, piece of equipment, or vessel is allowed to travel out of state as part of its normal operation or for special occasions if approved by CARB and the CEC in advance. Emission reductions associated with the project are based on the percentage of operations in California. Only emission reductions that take place in California count, so when a vehicle, piece of equipment, or vessel is operated out of state, its emission reductions do not contribute to the emission reductions associated with the application and impacts the project's competitiveness.

Green Zones

177. **Question:** For the municipal green zone projects, what specific vehicle classes are eligible?

Answer: All vehicle classes are eligible. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

178. **Question:** For the municipal green zone projects, is there a specific vehicle class that is preferred?

Answer: It's up to the municipality to determine the vehicle classes needed for their project. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

179. **Question:** For a Green Zone application that seeks to replace traditionally fueled medium-heavy duty vehicles used by Maintenance Staff in the power and water sectors: in addition to vehicle and charging infrastructure, would the construction of new Crew Quarters be eligible? This would be a new, small building that would be used for: 1) meetings for maintenance staff; 2) workforce development; and 3) storage of maintenance staff's personal items while they are in the field, i.e., like a locker room. This building would be green-powered.

Answer: As part of a larger Green Zones project, a new Crew Quarters could be eligible. In the application, the applicant should clearly demonstrate and describe the connection between the new Crew Quarters and the goals of the Green Zones project like breaking down barriers to zero-emission adoption. The emission reductions associated with building the Crew Quarters may impact the scoring of the application. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

180. **Question:** Scoring: Solicitation page 36 shows 15 points for potential for market penetration and commercialization. It appears that Green Zone projects that are seeking to promote widespread adoption of technologies that are already

commercially available will not be eligible for any points. Does this put all Green Zone projects at a disadvantage in scoring?

Answer: Accelerating the deployment of zero-emission commercial technologies that are not yet widely adopted is one of the goals of the Green Zones category. Not all criteria found under the Potential for Market Penetration and Commercialization of Technology Scoring Criteria Number 9 found on page 36 of the solicitation deal with precommercial technologies. CARB and the CEC scoring teams weigh the type of project against the scoring criteria. Not having a precommercial component to your project does not mean that an application is not eligible for all points available in the scoring criteria. Refer to Section XIII, Evaluation and Scoring, Table 4 in the Solicitation.

181. **Question:** For the Municipal Green Zones category, is there a length of time municipalities are expected to retain technologies acquired under the grant (e.g., 5 years, 20,000 miles, 250 hours, lifetime of the product, etc.).

Answer: The expectation for project life in a Municipal Green Zone is contingent on the equipment being deployed. A contractual obligation regarding the disposition of equipment is not described in the solicitation. For precommercial technologies, manufacturers typically retain ownership of the vehicles or equipment during the project then the equipment is returned to the manufacturer at the end of the project. For commercialized technologies, the expectation is that the equipment will be used for its full useful life, and this should be stated in the application.

182. **Question:** For Municipal Green Zones, does the grant require the retirement of existing equipment, or can municipalities purchase and deploy additional ZEV equipment?

Answer: The Advanced Technology Demonstration and Pilot Project program does not require the retirement of existing equipment and does allow the purchase and deployment of vehicles and equipment that expand the fleet. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

183. **Question:** When applying for the Green Zones category, can multiple agencies be doing a variety of equipment transitions, demonstrations and pilots be included in one application all within the Green Zones boundary?

Answer: Multiple agencies or municipalities can be part of one application with a wide array of technologies being deployed. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

184. **Question:** When applying for the Green Zones category, if some of the land that is part of a proposed project for zero-emission landscape deployments to private companies and is private land, is that eligible for funding?
Answer: Deployments of zero-emission lawn and garden equipment to private companies for use on private land is eligible as part of a larger Green Zones project that aligns with the major goals of Green Zones which is breaking down barriers to zero-emission adoption and being an example for other municipalities. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.
185. **Question:** Can a port that is a division of a city be considered a municipality under a Green Zones project?
Answer: A port is not a municipality but is an eligible applicant for a Green Zones project. Applicants should describe the level of partnership with a municipality or multiple municipalities where the project is located. Refer to Section VI, Eligibility in Solicitation.
186. **Question:** For Green Zones – Is a port authority considered a municipality?
Answer: A port authority is not considered a municipality unless the port authority is a part of an existing municipality, but a port is an eligible applicant.
187. **Question:** Can a port authority be considered a municipality if it oversees diverse lines of business, such as seaport, airport, and utility?
Answer: A port authority is not considered a municipality, unless the port authority is a part of an existing municipality, but eligible applicants for Green Zone projects do not need to be municipalities.
188. **Question:** Can a port apply for Green Zones funding with a municipality partner?
Answer: A port can apply for Green Zones funding with a municipality partner.
189. **Question:** Can an air district be the applicant in a green zones application?
Answer: An Air District can be the applicant in a green zones application with a municipal partner. Refer to Section VI, Eligibility in Solicitation.
190. **Question:** The solicitation says Green Zone applications should attempt to demonstrate more than one technology, so should Green Zone applicants also be trying to determine the different sizes of the technology deployed to expand the scope of the project?

Answer: Demonstration of different power ranges of zero-emission equipment is one strategy that can be used in a Green Zones project. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

191. **Question:** For the municipal green zone projects, can a municipality include the hiring of a vendor and their employees as a part of the workforce plan?

Answer: A workforce plan is intended to develop a workforce geared toward advanced technology vehicles, equipment, vessels, or supporting infrastructure—not the hiring of vendors to do work. Refer to Section IX, Scope of Work, Subsection E, Workforce Training and Development in Solicitation.

192. **Question:** Solicitation p. 10 talks about participation of the technology developer. Will this be required for Green Zone applications? If so, would this be the vendor or the manufacturer?

Answer: Participation of the technology developer in a specific project is contingent upon the type of project that is being proposed. Demonstration of precommercial technologies should in most cases involve the manufacturers of those technologies, while projects that propose the use of commercially available technologies may not necessitate wide scale manufacturer involvement.

193. **Question:** For the municipal green zone projects, on page 18 it states that projects containing zero-emission trucks must meet a minimum range requirement of at least 150 miles per day. Does this refer to the maximum/minimum distance a vehicle could travel with or without material? Or does this refer to the daily minimum as it would be used in their normal business practices. For example, a trash truck could travel 150 miles per day if it went in a straight line and didn't stop repeatedly to pick up waste, or if there was no waste in the vehicle. However, adding the use of the electronic arm and the weight of the waste could shorten the distance it could travel with one charge, during regular business.

Answer: The 150 mile per day range includes the ability to opportunity charge throughout the day. Explain how the required range is satisfied in the project narrative and describe how the electric truck will successfully meet the needs of the expected normal business practice. Refer to Section IX, Scope of Work in Solicitation.

194. **Question:** If we have municipalities as partners, are only their own fleets allowed to acquire vehicles? What about charging facilities for public access in those cities?

Answer: The Green Zone projects can fund vehicles and equipment that are not owned by the municipality. A city is allowed to have private charging for their fleet, but a Green Zone project application that installs infrastructure may score

better if it allows public access. Refer to Section IX, Scope of Work, Subsection D, Infrastructure in Solicitation.

195. **Question:** If we received letters of support from surrounding counties and cities on their use of our hydrogen would this qualify as a municipal green zone, or would we need to partner with, for example, another hydrogen or EV project to qualify?

Answer: The Green Zones category goal is to support broad and creative paths toward zero-emission vehicle and equipment deployment and encourage other cities to adopt Green Zone policies. Refer to Section VIII, Eligible Projects, Subsection C, Eligible Technologies in Solicitation.

196. **Question:** For municipal green zones, what is the expected timeline for placing purchased ZEV technology into service? Some of these vehicles are being delivered on long timelines, so placing them into immediate service may be challenging.

Answer: All funded vehicles, equipment, and vessels that are not applying for AB 179 Commercial Harbor Craft Regulatory compliance funding need to have a 12 month field demonstration. Projects need to be completed by March 15, 2027. The draft final report will require several months of review before CARB can approve. A vehicle or piece of equipment should be deployed no later than the end of 2025. There are no guarantees that a project will be able to get a time extension. Refer to Section VII, Responsibilities of Grantee, Technology Manufacturer End Users and Data Collector in Solicitation.

Commercial Harbor Craft

197. **Question:** Can there be clarification on the definition of a research vessel under the recently released Advanced Technology Demonstration and Pilot Projects solicitation, as it pertains to purpose-built research vessels and other vessels that perform research work for the \$60 million set aside for Commercial Harbor Craft compliance?

Answer: A research vessel is defined in the Commercial Harbor Craft Regulation, title 17, California Code of Regulations, section 93118.5(d), as all vessels subject to the requirements of 46 Code of Federal Regulations, Chapter 1, Subchapter U, and any vessels that have highly advanced mobile research stations or provide dedicated platforms from which explorers can deploy equipment, divers, or submersibles. If the vessel performs research work during a majority of 2022 and 2023 and is scheduled to perform research work for a majority of 2024, it can be

considered a research vessel for this solicitation. Documentation of the usage rate of the vessel must be submitted. Documentation consists of the vessel's calendar year 2022 report that was due to CARB by March 31, 2023, calendar year 2023 vessel logs, and scheduling logs for any future dates in 2023 and 2024. Only vessels in compliance with CARB's Commercial Harbor Craft regulation will be eligible for funding.

198. **Question:** Can a workboat that does research work be classified as a research vessel for the purpose of this solicitation?

Answer: Classification of vessel category will follow the definitions in the Commercial Harbor Craft Regulation, title 17, California Code of Regulations, Section 93118.5(d). A "Work Boat" is defined as a self-propelled vessel that is used to perform duties such as fire/rescue, law enforcement, hydrographic surveys, spill/response, research, training, and construction (including drilling). On and after January 1, 2023, "Workboat" means a self-propelled vessel that is used to perform any duty not specifically listed by another category of commercial harbor craft. A vessel is eligible for priority funding as outlined in the solicitation if it performs the service of a priority vessel a majority of the time.

199. **Question:** Must all Annual reporting requirements as stated in subsection O of the Commercial Harbor Craft regulation be satisfied to be eligible for funding?

Answer: All the annual reports required by CARB need to be submitted and approved by CARB. Additionally, all vessels must be in full compliance with CARB's Commercial Harbor Craft Regulation.

200. **Question:** Are CARB approved Commercial Harbor Craft regulation required Annual Reports included in the application for funding a good idea to demonstrate compliance with regulatory reporting requirements?

Answer: Applicants may include reports that have already been submitted to and approved by CARB's Commercial Harbor Craft regulatory section.

201. **Question:** What happens if a vessel never receives a Certificate of Inspection from the US Coast Guard and can't operate?

Answer: Gaining the Certificate of Inspection should be a milestone in the vessel's application. If the Certificate of Inspection cannot be obtained before the time allotted, the project will not receive payments associated with that or any later milestones in the project.

202. **Question:** If a Commercial Harbor Craft regulatory compliance project is awarded funding will the vessel still be eligible for a compliance extension under the Commercial Harbor Craft regulation?

Answer: Yes, as long as the vessel is in compliance with all other requirements of the Commercial Harbor Craft regulation.

203. **Question:** For Commercial Harbor Craft applicants, is it possible to use existing application infrastructure from each air pollution district for this process?

Answer: The process outlined in the solicitation is the only process that can be followed.

204. **Question:** Are zero-emission vessels with a small combustion generator - for emergency purposes only, as required by coast guard - required to conduct baseline emissions testing on a comparable vessel?

Answer: If the applicant is applying for Commercial Harbor Craft regulatory compliance funding and the engine being installed meets the requirements of the CHC Regulation, emission testing will not be required. If the applicant is not applying for Commercial Harbor Craft regulatory compliance funding, then all combustion technologies that are funded or used as match in the application will need to be emission tested.

205. **Question:** For a new commercial harbor craft zero emission vessel, does it matter if that vessel is a replacement for an existing vessel or an additional vessel to a fleet?

Answer: This program does not require scrappage, so you can add additional vessels to your fleet through this program as long as the vessel is in compliance with all requirements of the Commercial Harbor Craft regulation.

206. **Question:** Scrapping is not required, but if the project intended to retire a couple of pieces of equipment through self-scrapping, is there a way to account for those benefits in the emission reduction by using one unit to replace three units? Is that something we can take credit for both on criteria and greenhouse gas reduction benefits?

Answer: Yes, but with limitations. The project narrative needs to be clear about what is taking place. For example, include the emissions profile, regulatory environment, and if they're required to comply with the Commercial Harbor Craft Regulation.

207. **Question:** Are zero-emission vessel build projects required to obtain CARB / EPA verification under this solicitation?

Answer: Under the CHC regulation, any vessel complying by transitioning to Zero-Emission must submit a Zero-Emission and Advanced Technology (ZEAT) application per subsection (e)(10) and obtain E.O. approval.

208. **Question:** Does a private micro-business applying under the Commercial Harbor Craft Regulatory Compliance Funding need to have a public agency or non-profit submit their application or can the business do it on their own?

Answer: A private micro-business is not an eligible applicant in this Solicitation, thus needs to have an eligible applicant, such as a public agency or non-profit, submit their application for Commercial Harbor Craft regulatory compliance funding. Refer to Section VI, Eligibility in Solicitation.

Miscellaneous

209. **Question:** What Critical Project Review major milestones does CARB want applicants to be held accountable for?

Answer: This is dependent upon the project. Grantees will work closely with CARB and the CEC, if applicable, to identify which major milestone will be given a Critical Project Review beyond what is proposed in the application, if needed. Refer to Appendix B, Sample Grant Agreement, Section 6, Duties and Requirements.

210. **Question:** Is there any relative difference in scoring if the applicant is a city or a non-profit? Is scoring different for a city versus a non-profit being the lead?

Answer: No, scoring is based on the experience level of the city or non-profit. There is no difference if the lead is a city or non-profit. Refer to Section XIII, Evaluation and Scoring, Table 4 in the Solicitation.

211. **Question:** What professional liability risks exist for grantees?

Answer: Grantees are responsible for the day-to-day operation of the project and are responsible for any match commitment from a project partner that drops out of the project. Grantees are scored in future solicitations based on past performance. Refer to Appendix B, Sample Grant Agreement, Section 6, Duties and Requirements.

212. **Question:** What is the liability to project partners if the project is unsuccessful? What if unforeseen technical difficulties prevent the funded equipment from being successfully demonstrated?

Answer: Demonstration and pilot projects do not always lead to a successful project and a project failure may hold value in identifying lessons learned and showing a path forward. CARB staff will monitor each selected project and hold Critical Project Review meetings to assess the project's ability to continue and complete. For more information on liability refer to Appendix B, Sample Grant Agreement, Section 13 General Provisions.

213. **Question:** What happens if another global pandemic hits and operations are shut down?

Answer: CARB will work with grantees to support projects that are underway if another global pandemic occurs. All efforts will be made to complete projects in the timeline outlined in the solicitation.

214. **Question:** For the workforce development and training, does workforce development efforts by any member of the project team get counted towards the scoring for this category including the grantee, the vessel operator and the providers working to install the reduced emission equipment?

Answer: Any project partner's workforce development program counts toward Scoring Criteria Number 13 Workforce Development and Training.

215. **Question:** Are proposals complying with one-time AB 179 retrofits exempt from long-term workforce and hiring commitments?

Answer: There are no long-term workforce or hiring commitments in the solicitation; however, there is a workforce development plan that is required to be submitted and implemented during the term of the project. Refer to Section IX, Scope of Work, Subsection E, Workforce Training and Development in Solicitation.

216. **Question:** We are planning to submit for a project that involves a hydrogen fuel cell be used as a distributed energy resource (DER) within a microgrid system. It is NOT a "hydrogen refueling station" in the sense that hydrogen will NOT be dispensed to various customers from a communal pump. Rather, H₂ will be stored and used ONLY in the fuel cell to provide dispatchable power. Which, if any, of the requirements stated in Appendix C would apply to this arrangement? What would be different?

Answer: Appendix C provides a comprehensive set of requirements for hydrogen infrastructure for refueling fuel cell powered vehicles and equipment. The application must address all of the elements specified in Appendix C that apply to the equipment being proposed for the project. Certain requirements for projects involving refueling vehicles and/or equipment would not apply if no such equipment is being proposed. That said, hydrogen quality requirements and fueling protocols and standards for a proposed project may be different than what is presented in Appendix C. The application must fully identify and discuss the appropriate standards that will be applied, why they are the correct ones for their project, and how the proposed project will satisfy these standards. Fire safety awareness and release reporting requirements apply to all projects involving storage and use of hydrogen at a site.

217. **Question:** If a project involved repowering cargo handling equipment with H2 fuel cell powertrains. Which, if any, of the requirements stated in Appendix C would apply to this arrangement? What would be different?

Answer: All of Appendix C would apply. Appendix C applies to hydrogen refueling stations that are being built as part of a proposed project. For projects that will rely on trucked in hydrogen it is important to ensure a stable supply of fuel at the needed quality. A description of how the hydrogen is going to be supplied to a project should be included in the project narrative along with a letter of commitment from the hydrogen supplier.

218. **Question:** I'd like to address this paragraph in Appendix C, Section II: "Applications that request funding for proposed hydrogen refueling station(s) must provide a plan for ensuring that dispensed hydrogen is generated using at least 33 percent eligible renewable resources (i.e., feedstocks or electricity) as detailed below. This plan must detail the process used to generate the hydrogen, the location where the hydrogen will be generated (i.e., at the proposed hydrogen station site or at an off-site production facility), the eligible renewable resources used to generate the hydrogen, and how the applicant will track and provide verifiable evidence that the dispensed hydrogen is generated from at least 33 percent eligible renewable resources." Will this requirement be applied to projects that are not proposing building a hydrogen refueling station as part of the project?

Answer: Appendix C does not apply for any project not proposing to build a hydrogen refueling station as part of the project.

219. **Question:** How does the CEC determine the value of retrofitted assets? Does the type of retrofit impact value such as electrifying/upgrading one part of a vehicle vs another?

Answer: CEC and CARB will not determine the value of a retrofitted asset. The current value of the retrofitted equipment in the marketplace is considered the value of that asset and should be described in the project narrative. CEC and CARB have the right, as described in the solicitation, to request additional information during the review process if a cost associated with a retrofitted asset is in question.

220. **Question:** For technology that is new and doesn't have comparable vehicle types, or an established CARB certification process, what does CARB envision the certification process requirement looking like? Should the applicant look to other technology types and propose a similar process? Will we work with CARB during the grant period to establish a process?

Answer: Following established CARB certification protocols is required. If a protocol does not exist for a specific piece of equipment or vessel, explain this in the project narrative and CARB will work with the project team moving forward if selected for funding. Refer to Appendix A, Attachment 2, Project Narrative and Work Plan. More information regarding CARB certification can be found at [New Vehicle and Engine Certification: Executive Orders | California Air Resources Board](#).

221. **Question:** Can we apply the traditional Moyer limits to project life? For example, if a marine vessel is subject to the reg in 5 years, then we would claim a surplus 5 years?

Answer: You can use the Carl Moyer Program as a source for the project life of a vehicle, piece of equipment, or vessel.

222. **Question:** How much travel needs to be done by a funded piece of equipment or vehicle in California?

Answer: Please see the answer to question 176.

223. **Question:** How do we prove the remaining useable period and what is a competent authority certificate? How can one prove the remaining useful life of a vehicle, piece of equipment or vessel to be eligible as a conversion under this solicitation?

Answer: If it's a marine vessel, a certificate would be from either a naval architect or equivalent and is able to make an engineering assessment as to the remaining life of the piece of vessel. For equipment this could be a licensed, third-party engineer making an official assessment as to the remaining useful life. Include in your application as part of the project narrative or as an attachment, pictures, a detailed description of the piece of equipment, and the remaining useful life. Third party assessments are weighted higher than assessments from project partners. The CARB and the CEC review team is going to be looking for a reasonable explanation of the remaining useful life of the equipment, vehicle, or vessel.

224. **Question:** Will CARB consider implementing a gradual ratcheting up of percentage requirement of "Green Hydrogen" as required for projects that propose the construction of a hydrogen refueling station?

Answer: The requirement to have at least 33% renewable hydrogen comes from SB 1505. CARB cannot modify its requirements for the purpose of this solicitation.

225. **Question:** Are grant funds required to fund projects that get surplus emission reductions?

Answer: All projects that receive GGRF will be required to provide GHG emission reductions. Surplus emission reductions in an application may score higher than those without.

226. **Question:** Are there any operational, location, or time restrictions for the operation of vessels that receive this grant money after the project is completed?

Answer: There are no restrictions of any kind after the project completion.

227. **Question:** If awarded and during the grant work it is determined that additional studies are required to complete design or entitlement efforts, will the grantee be allowed to modify or add subcontractors to budget so long as the total requested funds remains the same?

Answer: Upon approval from CARB and, if necessary, the CEC, modifications to the budget can be made pursuant to the terms of the grant agreement as long as the total requested funds remain the same. Refer to Appendix B, Sample Grant Agreement, Section 7 Fiscal Administration.

228. **Question:** If a commercially available product is contributed to the project, can that piece of equipment be used to facilitate other customer demand that falls outside of the scope of the project? As an example, a demo opportunity arises with one of the project participants' core customer segments that is outside the initial project's scope.

Answer: It may but would require prior CARB and CEC approval before a funded vehicle, piece of equipment, or vessel is used outside the scope of work for a project.

229. **Question:** Modular Powertrain Zero-Emission Cargo Handling Equipment category requires that the modular power trains and energy systems be swappable, how swappable?

Answer: The ease of swapping out powertrains and energy systems for newer cleaner ones in the future should be decided by the applicant team. The intent of the project category is for heavy lift cargo handling equipment powered by diesel engines to be designed to have the powertrains and energy systems replaced as technology evolves. Refer to Section VIII, Eligible Projects in Solicitation.

230. **Question:** Who should we contact for information on port operations in detail?

Answer: You may ask the port authority for details.