

Alternative Fuel Incentive Program (AFIP) Request for Grant Proposal

- A. E85 and Other Alternative Fuels: Fuel Infrastructure Projects and Price Parity Incentives**
- B. Biofuels—Startup of Small Production Facilities In California**
- C. Plug-in Hybrid and Alt Fuel Vehicle Demonstration and Research**
- D. Transit Bus Projects**
- E. Alternative Fuel Vehicle Incentive Program**
- F. Consumer Education and Outreach**

**Application and Instructions
Fiscal Year 2006-2007**

**Proposal Deadline
5:00 PM March 12, 2007
No faxes or emails will be accepted**

Please contact Kathy Leuterio or Katrina Sideco for copies of the application packet or for questions regarding the application or the grant process:

Kathy Leuterio (916) 322-1731
Katrina Sideco (916) 323-1082
STTB@arb.ca.gov

February 9, 2007

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Request for Grant Proposal

February 9, 2007

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SUMMARY

The California Air Resources Board (ARB or Board) is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The ARB is responsible for administration of \$25 million (twenty-five million dollars) in State Funds to further the goal of reducing air pollution and greenhouse gas emissions. These funds have been included in the fiscal year 2006/2007 budget for the purpose of incentivizing biofuels and high efficiency, low emitting vehicle technology. The purpose of the grant program is to provide resources to initiate new programs that are creative and innovative.

BACKGROUND

The mission of the California Air Resources Board (ARB) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State.

Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized ARB and the California Energy Commission (CEC) to jointly develop a plan to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. These funds are to be expended for the following purposes:

- Market-based incentives such as buydowns, rebates, credits, or other incentives for purchasers of high efficiency, high mileage, clean alternative fuel light, medium, and heavy duty vehicles, both individual and public fleet, in California.
- Production incentives such as loans, loan guarantees, and credits for clean alternative fuel production in California.
- Market-based incentives such as loans and loan guarantees for the construction of publicly accessible, clean alternative refueling stations, including refueling stations that sell ethanol blends consisting of at least 85 percent ethanol E85, sufficient in number to match the existing and anticipated supply of E85 vehicles in California.
- Grants for research and development of clean and zero emission fuels and vehicle technology to assist in making those technologies affordable in the marketplace.
- Incentives to replace the current state vehicle fleet with clean, high mileage alternative fuel vehicles.

Consistent with this direction, the Request for Grant Proposal (RFGP) includes several categories available for grant proposals. Each category is detailed in an attachment

which will document application eligibility, requirements and procedures. These attachments are:

Attachment A. E85 (fuel that is 85 percent ethanol and 15 percent gasoline) and Other Alternative Fuels: Fuel Infrastructure Project and Price Parity Incentives

Attachment B. Biofuels—Startup of Small Production Facilities in California

Attachment C. Plug-in Hybrid and Alternative Fuel Vehicle Demonstration and Research

Attachment D. Transit Bus Projects

Attachment E. Alternative Fuel Vehicle Incentive Program

Attachment F. Consumer Education and Outreach

Each attachment contains the forms and guidelines for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the ARB. Grant applications must be complete and meet all of the requirements set forth in the application packet.

Two signed original copies and one CD of the proposals, including all the required documents, must be received at the Air Resources Board headquarters office at 1001 I Street, Sacramento, CA 95812 by 5:00 PM on Monday, March 12, 2007. No application documents may be submitted by fax or email.

None of these funds may be used for incentives, grants, or any support of fuels derived from petroleum, petroleum coke, or coal.

These funds must be encumbered by June 30, 2007.

More information on the Alternative Fuel Incentive Program may be accessed at <http://www.arb.ca.gov/fuels/altfuels/incentives/incentives.htm>

ELIGIBLE PROJECTS

The attached grant applications detail requirements for each grant category, and the eligibility requirements for projects to be funded. Refer to the appropriate attachment for additional information.

Attachment A. E85 and Other Alternative Fuels: Fuel Infrastructure and Price Parity Incentives

There are two types of E85 and alternative fuel infrastructure projects that are eligible for incentive funding: 1) projects to install alternative fuel infrastructure

for fleet use, and 2) projects to install alternative fuel infrastructure for general public use.

Attachment B. Biofuels—Startup of Small Production Facilities in California

There are two types of fuel production projects that are eligible for incentive funding: 1) new biofuel production facilities, and 2) projects to install digesters.

Attachment C. Plug-in Hybrid and Alternative Fuel Vehicle Demonstration and Research

Eligible projects will accelerate the commercialization of plug-in hybrids and alternative fuel vehicles. Priority will be given to projects that include vehicle demonstrations to test pre-commercial vehicle technologies or explore customer response to alternative fuel vehicles in general or plug-in (electric fuel) vehicles in particular.

Attachment D. Transit Bus Projects

Grants are available to develop near zero and zero emission enabling technologies in buses.

Attachment E. Alternative Fuel Vehicle Incentive Program

Eligible contractors will demonstrate the ability to administer a grant award program and a general knowledge of the Board's clean air goals. This incentive program will provide grants to purchasers of eligible electric, plug-in hybrid and alternative fuel motorcycles, passenger cars and light-and medium duty trucks.

Attachment F. Consumer Education and Outreach

There are two types of projects eligible for funding in this category: 1) projects that are designed to carry out a marketing campaign to increase awareness and promote alternative fuel, clean and high efficiency vehicles for the Air Resources Board, and 2) support for existing programs that promote and increase awareness and promote alternative fuel, clean and high efficiency vehicles.

AVAILABLE FUNDING

The total available funding under this grant solicitation is \$25 million. It is anticipated that the grants will be distributed as indicated below. However, should an insufficient number of quality proposals be received in any individual category, monies may be shifted among categories. Not all monies may be awarded. In no event will the total grant amount exceed \$25 million.

(It should be noted that \$3.3 million is reserved for funding research and development of clean and zero emission fuels and vehicle technology to assist in making those technologies affordable in the marketplace. These directed research projects are not included in this grant solicitation.)

1. E85 and Other Alternative Fuels: Fuel Infrastructure and Price Parity Incentives	\$7 million
2. Biofuels—Startup of Small Production Facilities In California	\$5 million
3. Plug-in Hybrid and Alternative Fuel Vehicle Demonstration and Research	\$5 million
4. Transit Bus Projects	\$2 million
5. Incentives for Advanced Technology PZEVs and ZEVs	\$1.5 million
6. Consumer Education and Outreach	\$1.2 million

APPLICATION REQUIREMENTS

All grant proposals must meet the specific requirements of this solicitation to be considered for project funding. Additional information may be requested during the application review process if needed. For each area of funding available, specific application requirements are detailed in the applicable attachment.

Grant proposals should be straightforward and concise. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal. To conserve paper, proposals may be two-sided, or use single or one-and-a-half spacing. Please do not include large company brochures. Due to limited storage space, the proposal package should be prepared in the least expensive method (i.e., cover page with staple in upper left-hand corner, no fancy bindings).

Costs incurred for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the Proposer and shall not be charged to the State of California. The awarding agency reserves the right to reject all proposals. The agency is not required to award an agreement.

An individual who is authorized to bind the proposing firm contractually shall sign the grant proposal. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal will be rejected. No oral understanding or agreement will be binding on either party. No work will begin until grant contract is in place (see example grant contract language).

APPLICATION PROCESS

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

Information regarding Evaluation and Scoring can be found in Attachments.

EVALUATION AND SCORING

Applications will be initially screened to determine that the application is complete and has been submitted in a timely fashion.

The ARB will conduct an evaluation of each qualifying project based on the merit of the grant proposal. The maximum score is 100 points. Qualifying projects within each category will be considered for funding.

A multi-agency state team will review, evaluate, and make recommendations to the provided grant proposals. The multi-agency state team is comprised of the Air Resources Board (ARB), California Energy Commission (CEC), California Department of Food and Agriculture (CDFA), Department of Forestry and Fire Protection (CDF), Integrated Waste Management Board (IWMB) and Water Resources Control Board (WRCB).

MONITORING AND REPORTING REQUIREMENTS

Successful grant awardees must maintain records and data related to this grant for the life of the project. Specific reporting requirements are detailed in the Attachments.

DISBURSEMENT OF FUNDS

Grants will be disbursed upon approval and disbursement will be based on the criteria from each of the sections.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT A

E85 and Other Alternative Fuels: Fuel Infrastructure Projects and Price Parity Incentives

Monitoring and Laboratory Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
E85 and Other Alternative Fuels:
Fuel Infrastructure Projects and Price Parity Incentives

February 9, 2007

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INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The focus of this grant application packet is to solicit proposals for E85 and Other Alternative Fuels: Fuel Infrastructure Projects and Price Parity Incentives. The objective of this category is two-fold: 1) to fund the retrofit of approximately 20 retail stations with E85 or other alternative fuel dispensing equipment, and 2) to fund the installation of E85 or other alternative fuel infrastructure at approximately 20 fleet locations throughout California. Emphasis in this AFIP category will be given to E85 infrastructure projects.

None of these funds may be used for incentives, grants, or any support of fuels derived from petroleum, petroleum coke, or coal.

As mentioned above, these funds must be encumbered by June 30, 2007.

More information on the Alternate Fuel Incentive Program can be accessed at <http://www.arb.ca.gov/fuels/altfuels/incentives/incentives.htm>

BACKGROUND

Alternative fuel vehicles have been considered for many years as a means of providing reductions in smog-forming emissions. Alternative fuel vehicles may reduce petroleum dependency and provide reductions of climate change pollutants in two ways. First, during the combustion process, alternative fuels may produce lower climate change emissions. Second, alternative fuels have different upstream emissions than conventional gasoline or diesel. The upstream emissions are the “well-to-tank” emissions and include extraction, transport, processing, distribution, and marketing.

Flexible Fuel Vehicles (FFVs) have gained a solid commercial footing in California, achieving the largest inroad of any alternative fuel technology to date. Approximately, 300 thousand FFVs are operating in California today, with over 4 thousand registered in Sacramento County. FFVs are designed to run on ethanol or gasoline, from zero percent ethanol and 100 percent gasoline to 85 percent ethanol and 15 percent gasoline (E85). However, for various reasons introduction of a fueling network for E85-compatible vehicles lags behind with FFVs continuing to operate mostly on gasoline.

Because of the foothold E85-compatible FFVs have made in California, the emphasis of the grants under this category is to facilitate the establishment of a retail and fleet-use E85 infrastructure in California.

ELIGIBILITY

Submitting entity must be either registered as a business entity with the California Secretary of State or be a local, state, or federal government agency. Entities may submit more than one project proposal under this category. Entities may also submit more than one project proposal addressing the same topic but with varying scope of work and proposed ARB funding levels.

ELIGIBLE PROJECTS/SCOPE OF WORK

There are two types of E85 and alternative fuel infrastructure projects that are eligible for incentive funding: 1) projects to install alternative fuel infrastructure for fleet use—up to 20 fleet refueling stations located throughout California (Fleet Use Projects), and 2) projects to install alternative fuel infrastructure for general retail—up to 20 stations located in and around the Sacramento Metropolitan Area and up to 20 additional stations located in other areas of California (Retail Projects).

To be eligible for funding as a Fleet Use Project:

1. if the alternative fuel is stored in an underground storage tank, the tank must be a new installation,
2. the alternative fuel station(s) must be the primary fueling point for at least 20 fleet vehicles,
3. the alternative fuel dispensing and storage equipment must be alternative fuel compatible,
4. the source(s) of the alternative fuel must be identified, and
5. the alternative fuel station(s) must be operational no later than December 31, 2008, and remain operational for a minimum of two years.

To be eligible for funding as a Retail Project:

1. if the alternative fuel is stored in an underground storage tank, the tank must be a new installation,
2. the alternative fuel dispenser(s) must be in California at a gasoline dispensing facility,
3. the alternative fuel dispensing and storage equipment must be alternative fuel compatible,
4. the source(s) of alternative fuel must be identified, and

5. the alternative fuel station(s) should be operational no later than December 31, 2008, and remain operational for a minimum of two years.

AVAILABLE FUNDING

The total funding available through this solicitation for alternative fuel infrastructure is approximately \$7 million (\$5.6 million for retail projects and \$1.4 million for fleet use projects). It is anticipated that this allocated amount will be distributed as grants within this category. However, should an insufficient number of quality proposals be received, monies may be shifted to other grant categories. Not all monies may be awarded. In no event will the total grant amount exceed \$25 million.

DEFINITIONS

“Sacramento Metropolitan Area” means the Sacramento, Yolo, Solano, El Dorado, San Joaquin, and Placer Counties.

“Alternate or Alternative Fuel” means one of the following:

- E85
- Mixtures containing 85 percent or more by volume of alcohol fuel, including methanol and denatured ethanol
- Natural gas (compressed or liquefied)
- Liquefied petroleum gas (propane)
- Hydrogen
- Coal-derived liquid fuels
- Fuels derived from biological materials
- Electricity (including electricity from solar energy)
- 100 percent Biodiesel (B100)
- Blends of two or more alternative fuels, for example, natural gas and hydrogen

“Alternative Fuel Vehicle” means a vehicle that is capable of using an alternate or alternative fuel.

“Small Business” means a business that is

- Independently owned and operated;
- Cannot be dominant in its field of operation;
- Must have its principal office located in California;
- Must have its owners (or officers in the case of a corporation) domiciled in California; and

Together with its affiliates, be either:

- A business with 100 or fewer employees, and an average annual gross receipts of \$12 million or less over the previous three tax years, or
- A manufacturer with 100 or fewer employees. For small business certification purposes, a manufacturer is a business that is both of the following:

- Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
- Classified between Codes 2000 to 3999, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

“Fleet” means twenty (20) or more alternative fuel vehicles that are registered to one person or business and are regularly parked or garaged in one location from which they are operated or dispatched.

“E85” means a mixture of petroleum distillates and ethanol, where the fuel mixture is nominally 85 percent ethanol and 15 percent gasoline, and is compliant with ASTM D5798 (E85 Fuel Specification) and CARB E85 specifications.

APPLICATION REQUIREMENTS

All projects shall meet the specific requirements of this solicitation. Applicants must meet these criteria and fully complete project applications to be considered for project funding consideration. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet is to be completed by applicants and contains the forms and guidelines for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the ARB. Grant applications must be complete and meet all of the requirements set forth in this application packet.

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

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Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

EVALUATION AND SCORING

The ARB will conduct an evaluation of each qualifying project based on the merit of the grant proposal. The maximum score for each proposal is 100 points. For those applicants that wish to submit proposals for both a Fleet Use Project and a Retail Project, separate applications should be submitted for each project. Qualifying projects within each category will be considered for funding.

A multi-agency state team will review, evaluate, and make recommendations on the provided grant proposals. The multi-agency state team is comprised of the Air Resources Board (ARB), California Energy Commission (CEC), California Department of Food and Agriculture (CDFA), Department of Forestry and Fire Protection (CDF), Integrated Waste Management Board (IWMB) and Water Resources Control Board (WRCB).

EVALUATION AND SCORING CRITERIA

A. Applicant Information (Applicable to both Fleet Use and Retail Projects)

1. Business Type (maximum 5 points)

Applications will be evaluated to determine their standing as a small business owner.

B. Fleet Use Project

1. Alternative Fuel Type (maximum 10 points)

Applications will be evaluated for substantial use of E85 fuel as the alternative fuel.

2. Cost of Construction (maximum 20 points)

Project proponents will clearly state the amount of funding they are requesting and the basis for this request. Total fund allocation for Fleet Use Projects is estimated at \$1.4 million. The amount of funds to be awarded for a single fleet location may be up to \$70 thousand. Projects can consist of more than one fleet location. There is no minimum match share requirement, but the match funding projects will be favorably scored. Proponents must disclose source and provide verification documentation for their portion of the match funding.

3. Site Plan and Engineering Drawings (maximum 20 points)

Projects will be evaluated based the completeness of engineering drawings identifying all components that make up the alternative fuel dispensing system. Systems must be alternative fuel compatible. Projects that receive the maximum points allotted will have the following agencies review and comment on plans and drawings prior to submittal:

- Department of Food and Agriculture, Division of Measurement Standards (DMS)
- Department of Forestry and Fire protection, Office of the State Fire Marshall (SFM)
- Department of Industrial Relations, Division of Occupational Safety and Health (DOSH)
- State Water Resources Control Board (SWRCB), Division of Water Quality

4. Construction Schedule (maximum 20 points)

Projects will be evaluated on the completeness and timeliness of the construction/installation schedule for installing the alternative fuel equipment at the gasoline dispensing facility(ies). Successful applicants will discuss plan and schedule for obtaining all necessary permits.

5. Source of Alternative Fuel (maximum 20 points)

Project proponents will be evaluated on their ability to secure adequate volumes of the alternative fuel to satisfy projected fleet demand over a two year period.

C. Retail Project

1. Alternative Fuel Type (maximum 5 points)

Applications will be evaluated for substantial use of E85 fuel as the alternative fuel.

2. Location of Gasoline Dispensing Facility(ies) Where Alternative Fuel Dispensing Equipment Will be Installed (maximum 15 points)

Projects will be evaluated on where the alternative dispensers will be located relative to established transportation corridors, alternative fuel supply, and proximity to other alternative fuel stations. The successful applicant will locate alternative fuel dispensing equipment at gasoline dispensing facilities located along well-established transportation corridors in the Sacramento Metropolitan Area. These gasoline dispensing facilities should have high monthly throughputs (150 thousand plus gallons of gasoline dispensed per month) and be located as close as possible to the alternative fuel supply source.

3. Site Plan and Engineering Drawings (maximum 15 points)

Projects will be evaluated based on the completeness of engineering drawings identifying the components that make up the alternative fuel dispensing system. Systems must be alternative fuel compatible. Projects that receive the maximum points allotted will have the following agencies review and comment on plans and drawings prior to submittal:

- Department of Food and Agriculture, Division of Measurement Standards (DMS)
- Department of Forestry and Fire protection, Office of the State Fire Marshall (SFM)
- Department of Industrial Relations, Division of Occupational Safety and Health (DOSH)
- State Water Resources Control Board (SWRCB), Division of Water Quality

4. Cost of Construction (maximum 20 points)

Project proponents will clearly state the amount of funding they are requesting and the basis for this request. Total fund allocation for Retail Projects is estimated at \$5.6 million. The amount of funds to be awarded for a single Retail project alternative fuel dispenser location may be up to \$280 thousand. Projects can consist of more than one alternative fuel dispenser location. There is no minimum match share requirement, but match funding will be favorably scored. Proponents must disclose source and provide verification documentation for their portion of the match funding.

5. Construction Schedule (maximum 15 points)

Projects will be evaluated on the completeness and timeliness of the construction/installation schedule for installing the alternative fuel equipment at the gasoline dispensing facility(ies). Successful applicants will discuss plans for obtaining all necessary permits.

6. Alternative Fuel: Source and Pricing (maximum 10 points)

Project proponents will be evaluated on their ability to secure adequate volumes of the alternative fuel to satisfy projected customer demand over a two year

period and their strategy for pricing the alternative fuel to be competitive with gasoline.

7. Educational Outreach (maximum 10 points)

Projects will be evaluated on provisions they have to educate children and adults about the alternative fuel and the provisions to answer questions customers may have regarding the alternative fuel.

D. Application Completeness (Applicable to both Fleet Use and Retail Projects)

- **Application Requirements (maximum 5 points)**

The application will be evaluated for a clear and concise presentation of information.

MONITORING AND REPORTING REQUIREMENTS

A. Construction Monitoring and Reporting

1. After awarding of grant, awardees must submit to ARB a report every three (3) calendar months that contain the following information:
 - a. Contact information
 - b. Project address
 - c. Updated construction/installation schedule with progress clearly indicated
 - d. Summary of construction-related issues and impact on meeting scheduled completion date

ARB reserves the right to inspect all funded projects with a minimum of 48-hour notice for the life of the project contract.

B. Operational Monitoring and Reporting

1. After project construction is complete and fuel has been dispensed, awardees must submit to ARB a report every three (3) calendar months over a period of 24 calendar months that contains the following information:
 - a. Contact information
 - b. Project address
 - c. Alternative Fuel Monthly Throughput (gallons/month and gasoline equivalent gallons/month on an energy basis)
 - d. Number of alternative fuel refueling events per month (events/month)
 - e. For retail stations only: periodic price of alternative fuel and price of gasoline comparisons
 - f. Maintenance/repair log of alternative fuel equipment
 - g. For fleet use only: maintenance/repair log of alternative fuel vehicles

DISBURSEMENT OF FUNDS

- Grantees will be reimbursed up to 60 percent of award upon submission of expenditure receipts.
- Remainder of award will be reimbursed after submission of all project expenditure receipts and when project locations become operational as deemed by ARB staff.
- No grant monies will be awarded after June 30, 2009.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

APPENDIX A
Application Form

E85 AND OTHER ALTERNATIVE FUEL INFRASTRUCTURE APPLICATION

Please print clearly or type all information on this application and on all attachments.

A. APPLICANT INFORMATION [Total 5 points for Business Type (small business credit)]

1. Company Name/Organization Name/Individual Name:		
2. Does Company meet the definition of "Small Business" as defined in Definitions Section? (yes or no) : _____ If company is Small Business Certified enter OSDS Ref#:		
3. Business Type :		
4. Contact Name and Title:		
5. Person with Contract Signing Authority (if different from above):		
6. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. FLEET USE PROJECT (Total 90 points)

1. Alternative Fuel Type (10 points)

Applications will be evaluated for substantial use of E85 fuel as the alternative fuel.

Alternative Fuel(s) to be dispensed:

2. Cost of Construction (20 points)

Project proponents will clearly state the amount of funding they are requesting and the basis for this request (include funding basis as Attachment 1: Cost of Project). Total fund allocation for Fleet Use Projects is estimated at \$1.4 million. The amount of funds to be awarded for a single fleet location may be up to \$70 thousand. Projects can consist of more than one fleet location. Proponents must disclose source and provide verification documentation for their portion of the match funding.

Proposal Characteristics	Points Earned
Costs are unclear and/or incomplete, and/or the total costs seem too high for the proposed project, and/or no match funding, or verification of funding insufficient.	0 – 7 points
Costs are represented clearly and are inclusive of all potential sources but seem too high for the proposed project. Less than 50 percent verified match funding included in proposal.	8 – 15 points
Costs are represented clearly, are inclusive of all potential costs, and are appropriate for the level and quality of proposed project. Greater than or equal to 50 percent verified match funding included in proposal.	16 – 20 points

IN ADDITION TO ATTACHMENT 1, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

Number of Fleet Locations:

Alternative Fuel(s) to be Dispensed:

Fleet Location Address (if more than one, attach copy for each location)

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

Total Funds Requested for Location:

Match Funding Provided by Applicant:

B. FLEET USE PROJECT (CONTINUED)

3. Site Plan and Engineering Drawings (20 points)

Projects will be evaluated based the completeness of engineering drawings identifying all components that make up the alternative fuel dispensing system (include site plan and drawings as Attachment 2: Site Plan and Engineering Drawings). Project Plans and Drawings should be submitted for SFM, SWRCB, DMS, and DOSH review.

Proposal Characteristics	Points Earned
Site plan and/or engineering drawings incomplete or unclear, and/or missing key components, and/or not reviewed by other agencies, and/or incomplete or unclear information to determine whether fuel dispensing and storage equipment is alternative fuel compatible.	0 – 7 points
Site plan and/or engineering drawings complete, clear, and have not been reviewed by other agencies. Sufficient information to determine whether fuel dispensing and storage is alternative fuel compatible.	8 – 13 points
Site plan and or engineering drawings complete, clear, and have been reviewed by other agencies. Sufficient information to determine whether fuel dispensing and storage is alternative fuel compatible.	14 – 20 points

B. FLEET USE PROJECT (CONTINUED)

4. Construction Schedule (20 points)

Projects will be evaluated on the completeness and timeliness of the construction/installation schedule for installing the alternative fuel equipment at the fleet location(s) (include as schedule Attachment 3: Construction Schedule). Successful applicants will discuss plan and schedule for obtaining all necessary district permits and approvals from State agencies.

Proposal Characteristics	Points Earned
Schedule is incomplete and/or unclear, and/or schedule is not realistic in consideration of the work identified or funds requested, and/or no accounting for obtaining necessary permits or agency approvals.	0 – 7 points
Schedule is complete and clear, but is not realistic and/or does not account for obtaining permits or other agency approvals.	8 – 13 points
Schedule is complete and clear, and realistic. Schedule accounts for obtaining permits and other agency approvals.	14 – 20 points

IN ADDITION TO ATTACHMENT 3, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

District Permit Official Contact (if more than one, attach copy for each District)

Contact Name and Title:

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

Projected Start Date Construction (each site):

Projected Completion Date Construction (each site):

B. FLEET USE PROJECT (CONTINUED)

5. Source of Alternative Fuel (20 points)

Project proponents will be evaluated on their ability to secure adequate volumes of the alternative fuel to satisfy projected customer demand over a two year period (include copy of fuel supply contract and/or other pertinent information as Attachment 4: Fuel Supply Contract).

Proposal Characteristics	Points Earned
No fuel supply contract exists and there is no information presented on the possibility of one being in place upon start-up.	0 – 7 points
Fuel supply contract provided, and/or sufficient information provided indicating fuel supply contract imminent. Fuel contract for less than two year period after start-up.	8 – 15 points
Fuel supply contract provided, and/or sufficient information provided indicating fuel supply contract imminent. Fuel contract for two year period after start-up. Fuel supplier has sufficient resources to support project.	16 – 20 points

IN ADDITION TO ATTACHMENT 4, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

Alternative Fuel Supply Company Name:

Contact Name and Title:

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

C. RETAIL PROJECT (Total 90 points)

1. Alternative Fuel Type (5 points)

Applications will be evaluated for substantial use of E85 fuel as the alternative fuel.

Alternative Fuel(s) to be Dispensed:

2. Location of Gasoline Dispensing Facility(ies) Where Alternative Fuel Dispensing Equipment will be Installed (15 points)

Projects will be evaluated on where the alternative dispensers will be located relative to established transportation corridors, alternative fuel supply, and proximity to other gasoline dispensing facilities where alternative fuel dispensing equipment will be installed. The successful applicant will locate alternative fuel dispensing equipment at gasoline dispensing facilities located along well-established transportation corridors in the Sacramento Metropolitan Area. These gasoline dispensing facilities should have high monthly throughputs (150 thousand plus gallons/month), and be located as close as possible to the alternative fuel supply source (include as Attachment 1: Map of Gasoline Dispensing Facilities where Alternative Fuel Dispensing Equipment will be Installed).

Proposal Characteristics	Points Earned
Alternative Fuel Dispensers (AFDs) are located far from established transportation corridors, and/or difficult to access.	0 – 5 points
Alternative Fuel Dispensers (AFDs) are located on established transportation corridors and are easy to access. AFDs at low throughput stations.	6 – 10 points
Alternative Fuel Dispensers (AFDs) are located on established transportation corridors and are easy to access. AFDs at high throughput stations.	11 – 5 points

IN ADDITION TO ATTACHMENT 1, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

Number of Gasoline Dispensing Facilities (GDFs) where Alternative Fuels are to be Dispensed:

Existing GDF Average Monthly Gasoline Throughput (gallons/month) for 2006:

New GDF Projected Average Monthly Gasoline Throughput for first six months:

Alternative Fuel(s) to be Dispensed:

Location Address (if more than one, attach copy for each location)

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

C. RETAIL PROJECT (continued)

3. Site Plan and Engineering Drawings (15 points)

Projects will be evaluated based the completeness of engineering drawings identifying all components that make up the alternative fuel dispensing system (include plan and drawings as Attachment 2: Site Plan and Engineering Drawings). Project Plans and Drawings should be submitted for SFM, SWRCB, DMS, and DOSH review.

Proposal Characteristics	Points Earned
Site plan and/or engineering drawings incomplete or unclear, and/or missing key components, and/or not reviewed by other agencies, and/or incomplete or unclear information to determine whether fuel dispensing and storage equipment is alternative fuel compatible.	0 – 5 points
Site plan and/or engineering drawings complete, clear, and have not been reviewed by other agencies. Sufficient information to determine whether fuel dispensing and storage is alternative fuel compatible.	6 – 10 points
Site plan and or engineering drawings complete, clear, and have been reviewed by other agencies. Sufficient information to determine whether fuel dispensing and storage is alternative fuel compatible.	11 – 15 points

C. RETAIL PROJECT (continued)

4. Cost of Construction (20 points)

Project proponents will clearly state the amount of funding they are requesting and the basis for this request (include basis of funding as Attachment 3: Cost of Project). Total fund allocation for Retail Projects is estimated at \$5.6 million. The amount of funds to be awarded for a single alternative fuel dispenser location may be up to \$280 thousand. Projects can consist of more than one location. There is no minimum match share requirement, but the share of match funding will be considered in scoring the proposal. Proponents must disclose the source and provide verification documentation for their portion of the match funding.

Proposal Characteristics	Points Earned
Costs are unclear and/or incomplete, and/or the total costs seem too high for the proposed project, and/or no match funding, or verification of funding is insufficient.	0 – 7 points
Costs are represented clearly and are inclusive of all potential sources, but seem too high for the proposed project. Less than 50 percent verified match funding included in proposal.	8 – 15 points
Costs are represented clearly, are inclusive of all potential costs, and are appropriate for the level and quality of proposed project. Greater than or equal to 50 percent verified match funding included in proposal.	16 – 20 points

IN ADDITION TO ATTACHMENT 3, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

GDF Location Address (if more than one, attach copy for each location)

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

Total Funds Requested for Location:

Match Funding Provided by Applicant:

C. RETAIL PROJECT (continued)

5. Construction Schedule (15 points)

Projects will be evaluated on the completeness and timeliness of the construction/installation schedule for installing the alternative fuel equipment at the gasoline dispensing facility(ies) (include construction schedule as Attachment 4: Construction Schedule). Successful applicants will discuss plan and schedule for obtaining all necessary district permits and approvals from State agencies.

Proposal Characteristics	Points Earned
Schedule is incomplete and/or unclear, and/or schedule is not realistic in consideration of the work identified or funds requested, and/or no accounting for obtaining necessary permits or agency approvals.	0 – 5 points
Schedule is complete and clear, but is not realistic and/or does not account for obtaining permits or other agency approvals.	6 – 10 points
Schedule is complete and clear, and realistic. Schedule accounts for obtaining permits and other agency approvals.	11 – 15 points

IN ADDITION TO ATTACHMENT 4, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

Permit Official Contact (if more than one, attach copy for each)

Contact Name and Title:

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

Projected Start Date Construction (each site):

Projected Completion Date Construction (each site):

C. RETAIL PROJECT (continued)

6. Alternative Fuel: Source and Pricing (10 points)

Project proponents will be evaluated on their ability to secure adequate volumes of the alternative fuel to satisfy projected customer demand over a two year period and their strategy for pricing the alternative fuel to be competitive with gasoline (include copy of fuel supply contract and/or other pertinent information as Attachment 5: Fuel Supply Contract).

Proposal Characteristics	Points Earned
No fuel supply contract exists and there is no information presented on the possibility of one being in place upon start-up. The strategy for pricing the alternative fuel relative to gasoline is unclear and/or uncertain.	0 – 3 points
Fuel supply contract provided, and/or sufficient information provided indicating fuel supply contract imminent. A strategy for pricing the alternative fuel relative to gasoline over the two year period is realistic, achievable, and clearly defined. Fuel contract for less than two year period after start-up.	4 – 6 points
Fuel supply contract provided, and/or sufficient information provided indicating fuel supply contract imminent. A strategy for pricing the alternative fuel relative to gasoline over the two year period is realistic, achievable, and clearly defined. Fuel contract for two year period after start-up. Fuel supplier is well-established.	7 – 10 points

IN ADDITION TO ATTACHMENT 5, PLEASE PROVIDE THE FOLLOWING INFORMATION BELOW:

Alternative Fuel Supply Company Name:

Contact Name and Title:

Street:

City:

State:

Zip Code:

Phone: ()

Fax: ()

E-mail:

C. RETAIL PROJECT (continued)

7. Educational Outreach (10 points)

Projects will be evaluated on provisions they have to educate children and adults about the alternative fuel and the provisions to answer questions customers may have regarding the alternative fuel (describe provisions in Attachment 6: Educational Outreach).

Proposal Characteristics	Points Earned
Provisions to answer questions customers may have regarding refueling their alternate fuel vehicles (AFVs) at the proposed site missing or insufficient.	0 – 3 points
Provisions to answer questions customers may have regarding refueling their AFV at the proposed site adequate to ensure proper use of equipment.	4 – 6 points
Provisions to answer questions customers may have regarding refueling their AFV at the proposed site more than adequate to ensure proper use of equipment, and provisions identified to provide customers and interested public (i.e. school-age children) information about the environmental benefits of using AFVs.	7 – 10 points

D. APPLICATION COMPLETENESS

1. Clarity and Conciseness (5 points)
--

The applications will be evaluated for a clear and concise presentation of information.

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT B

Biofuels—Startup of Small Production Facilities in California

Stationary Source Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Biofuels—Startup of Small Production Facilities in California

February 9, 2007

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INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

None of these funds may be used for incentives, grants, or any support of fuels derived from petroleum, petroleum coke, or coal.

As mentioned above, these funds must be encumbered by June 30, 2007.

More information on the Alternate Fuel Incentive Program can be accessed at <http://www.arb.ca.gov/fuels/altfuels/incentives/incentives.htm>

ELIGIBLE PROJECTS/SCOPE OF WORK

The focus of this grant application packet is to solicit proposals for Fuel Production Incentives. The types of fuel production incentives projects that are eligible for incentive funding include, but are not limited to, **new** biofuel production facilities, digesters, and landfill gas-based liquid natural gas (LNG) or compressed natural gas (CNG). Other processes and projects that produce clean alternative fuels are welcome and will be considered for funding.

All projects must be operational no later than December 31, 2008.

AVAILABLE FUNDING

The total funding available through this solicitation for fuel production facilities is currently estimated to be \$5 million. It is anticipated that this allocated amount will be distributed as grants within this category. However, should an insufficient number of quality proposals be received, monies may be shifted to other grant categories. Not all monies may be awarded. In no event will the total grant amount exceed \$25 million.

DEFINITIONS

“**Biodiesel**” meets the biodiesel standard specified by the American Society of Testing and Materials (ASTM), which is ASTM D6751-06 and includes Renewable Diesel meeting D975 for ULSD in California.

“**Renewable Diesel Fuels**” would include algae-diesel, biodiesel, thermal conversion, hydroprocessed vegetable oils and biomass to liquid fuels.

- Typical biodiesel is made from soybean, recycled cooking oil, animal fats, palm oil through an esterification process.
- Renewable Diesel generally refers to diesel made from a variety of feedstocks, but using more of a refinery type process (Fisher-Tropsch, etc.). It has very high octane rating and zero aromatics.

APPLICATION REQUIREMENTS

All projects shall meet the specific requirements of this solicitation. Applicants must meet these criteria and fully complete project applications to be considered for project funding consideration. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet is to be completed by applicants and contains the forms and guidelines for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the ARB. Grant applications must be complete and meet all the requirements set forth in the application packet.

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

Applications will be initially screened to determine if: 1) the projected operational date of the new biofuel production facilities and digesters is no later than December 31, 2008, and 2) the application is complete.

EVALUATION AND SCORING

The ARB will conduct an evaluation of each qualifying project based on the merit of the grant proposal. The maximum score is 100 points. Qualifying projects within each category will be considered for funding.

A multi-agency state team will review, evaluate, and make recommendations on the provided grant proposals. The multi-agency state team is comprised of the Air Resources Board (ARB), California Energy Commission (CEC), California Department of Food and Agriculture (CDFA), Department of Forestry and Fire Protection (CDF), Integrated Waste Management Board (IWMB) and Water Resources Control Board (WRCB).

The ARB staff will conduct an evaluation of each qualifying project based on total project cost, proof of project funding, experience and qualification of principals, application of commercially proven technology, selection of feedstock, production volume criteria, and a demonstration of project viability and the ability to go on stream and obtain rated production within the desired timeline.

EVALUATION AND SCORING CRITERIA

1. Cost of Project (maximum 10 points)

Project proponents will clearly state the amount of funding they are requesting and the basis for this request. Total fund allocation for new biofuel production facilities and digesters is currently estimated to be \$5 million. The amount of funds to be awarded for a single facility location may be up to \$1 million. There is no minimum match share requirement, but the share of match funding will be considered in scoring the proposal. Project proponents should provide proof of total project funding.

2. Demonstration of Project Viability (maximum 25 points)

Projects will be evaluated based on completeness of information related to site, engineering, and offtake contracts for the proposed alternative fuel production facility. Applicants should discuss the experience and qualifications of the project team as well as innovative and technical features of the project.

3. Site Plan and Engineering Drawings (maximum 25 points)

Projects will be evaluated based on the completeness of engineering drawings identifying all components that make up the alternative fuel production facility. Also, the proposals should include process, mass, and energy flow diagrams.

4. Procurement and Construction Schedule (maximum 20 points)

Projects will be evaluated on the completeness and timeliness of the procurement and construction/installation schedule for installing the alternative fuel production facility. Successful applicants will discuss their plan and schedule for obtaining all necessary regulatory permits and approvals from State and local agencies.

5. Ability to Produce Alternative Fuel (maximum 10 points)

Project proponents will be evaluated on their ability to produce the alternative fuel according to the rated plant capacity. The successful applicant will have demonstrated the technical ability to produce the alternative fuel according to current standards. For example, produced biodiesel must meet ASTM D6751-06.

6. Application Requirements (maximum 5 points)

The application will be evaluated for a clear and concise presentation of information.

7. Small Business (maximum 5 points)

Applications will be evaluated to determine their standing as a small business owner. Applicant shall provide verification at the time of application submittal.

MONITORING AND REPORTING REQUIREMENTS

Awardees must submit to ARB monthly reports that contain the following information:

- Grant Information

- Project address
- Progress to date, including all project expenditures
- Alternative Fuel Monthly Production (gallons/month for Biodiesel or therms and average calorific value for digester gas)
- Feedstock utilized
- Status of construction

ARB reserves the right to inspect all funded projects with a minimum of 24-hour notice for the life of the project grant agreement.

DISBURSEMENT OF FUNDS

- Grantees will be reimbursed up to 60 percent of award upon submission of expenditure receipts.
- Remainder of award will be reimbursed after submission of all project expenditure receipts and when project locations become operational as deemed by ARB staff.
- No grant monies will be awarded after June 30, 2009.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

APPENDIX A
Application Form

**BIOFUELS—STARTUP OF SMALL PRODUCTION FACILITIES IN
CALIFORNIA APPLICATION**

Please print clearly or type all information on this application and on all attachments.

A. APPLICANT INFORMATION

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		
6. Project Address (if different from above):		
7. How many projects are being applied for?		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. TYPE OF PROJECT (circle one):

BIOFUEL PRODUCTION FACILITY

DIGESTER

OTHER: _____

1. Site Location			
Street:			
City:	State:	Zip Code:	
Phone: ()		Fax: ()	

C. COST OF PROJECT

1.
2.

D. SITE PLAN AND ENGINEERING DRAWINGS

1.
2.
3.

.....

E. Abstract/Summary of Project

F. Work Statement with Task-by-Task Description of Project

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT C

Plug-in Hybrid and Alternative Fuel Vehicles: Vehicle Demonstration and Research

Mobile Source Control Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Plug-in Hybrid and Alternative Fuel Vehicles:
Vehicle Demonstration and Research

February 9, 2007

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INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The focus of this grant application packet is to solicit proposals for Plug-in Hybrid Electric Vehicle (PHEV) and Alternative Fuel Vehicle demonstration and research projects. The objective of this category is to fund demonstration and research activities that accelerate the commercialization of clean and efficient plug-in hybrids and alternative fuel vehicles. Priority in this AFIP category will be given to PHEV-related projects that address impediments to commercialization. Projects may include vehicle demonstrations to perform research with pre-commercial vehicles, or to explore consumer response to alternative fuel vehicles in general or plug-in (electric fuel) vehicles in particular.

None of these funds may be used for incentives, grants, or any support of fuels derived from petroleum, petroleum coke, or coal.

As mentioned above, these funds must be encumbered by June 30, 2007.

More information on the Alternate Fuel Incentive Program can be accessed at <http://www.arb.ca.gov/fuels/altfuels/incentives/incentives.htm>

BACKGROUND

Alternative fuel vehicles have been considered for many years as a means of providing reductions in smog-forming emissions. Alternative fuel vehicles may reduce petroleum dependency and provide reductions of climate change pollutants in two ways. First, during the combustion process, alternative fuels may produce lower climate changes emissions. Second, alternative fuels have different upstream emissions than conventional gasoline or diesel. The upstream emissions are the “well-to-tank” emissions and include extraction, transport, processing, distribution, and marketing.

Electric fuel vehicles have the largest potential to reduce climate change emissions and petroleum dependency relative to any other alternative fuel vehicle under consideration. Unfortunately, building and marketing commercially viable PHEVs remains a challenge

for a variety of reasons. It is the purpose of the grants under this category to address these challenges to PHEV commercialization.

ELIGIBILITY

Submitting entity must be registered as a business entity with the California Secretary of State. Entities may submit more than one project proposal under this category. Entities may also submit more than one project proposal addressing the same topic but with varying scope of work and proposed ARB funding levels.

ELIGIBLE PROJECTS/SCOPE OF WORK

Topic Preference List: Project proposals submitted under this AFIP category must address one or more of the topics listed below (in order of priority):

1. Highest Priority Topics:

- Passenger car and Light-duty truck plug-in vehicle (PHEV) demonstration-based projects addressing challenges to commercialization, including (but not limited to):
 - Consumer acceptance, user behavior, marketability issues, etc., for example:
 - Consumer behavior – How often will owners plug in?
 - Consumer purchase behavior when offered vehicles with higher initial cost but lower operating cost.
 - PHEV system or component evaluation under real-life conditions.Demonstration project proposals must clearly identify all research objectives (topics to be analyzed or questions to be answered).
- Battery technology readiness for on-vehicle electric fuel storage application in PHEVs, for example, development or testing of battery technologies suitable for use in PHEV applications.
- PHEV certification testing.
- PHEV charging infrastructure issues.

2. High Priority Topics:

- Medium-duty passenger, Medium-duty, or other Heavy-duty PHEV demonstration in applications well suited for PHEVs. Demonstration project proposals must clearly identify all research objectives (topics to be analyzed or questions to be answered).

3. Medium Priority Topics:

- California-specific Light-duty passenger car driving use survey suitable for analysis of PHEV emissions and fuel use (utility factor).

- Analysis must consider multi-vehicle households and distinguish usage profiles between primary, second, and third plus vehicles in California households.
- Assess access to electrical outlets at overnight parking locations.
- Study and/or survey of California electric utility treatment of household customers with electric and alternative fuel vehicles, including special tariff effectiveness and assessment of what existing customers actually pay for electricity and CNG for fueling motor vehicles.
- Public outreach or education activities with exclusive focus on PHEVs.
- Passenger car, Light-duty truck, Medium-duty passenger, Medium-duty, or other Heavy-duty Alternative fuel vehicle demonstration in suitable applications. Demonstration project proposals must clearly identify all research objectives (topics to be analyzed or questions to be answered).

AVAILABLE FUNDING

The total available funding for PHEV and Alternative Fuel Vehicles: Vehicle Demonstration and Research category is approximately \$5 million. It is anticipated that this allocated amount will be distributed as grants within this category. However, should an insufficient number of quality proposals be received, monies may be shifted to other grant categories. Not all monies may be awarded. Maximum suggested grant amount for any single project in this category is \$1.5 million.

DEFINITIONS

“Alternative Fuel” means:

- Mixtures containing 85 percent or more by volume of alcohol fuel, including methanol and denatured ethanol
- Natural gas (compressed or liquefied)
- Liquefied petroleum gas (propane)
- Hydrogen
- Fuels derived from biological materials
- Electricity (including electricity from solar energy)
- 100 percent Biodiesel (B100) or Renewable Diesel meeting ASTM D-975.
- Blends of two or more alternative fuels, for example, natural gas and hydrogen

“Alternative Fuel Vehicle” (AFV) means a vehicle fueled exclusively by alternative fuels (must be 100 percent alternative fuel use)

“Hybrid Electric Vehicle” (HEV) means any vehicle that can draw propulsion energy from both of the following on-vehicle sources of stored energy: 1) consumable fuel, and 2) an energy storage device such as a battery, capacitor, or flywheel.

“Plug-in Hybrid Electric Vehicle” (PHEV), (also known as a Grid-connected HEV or GHEV) means a hybrid electric vehicle which has:

- zero emission vehicle range capability,
- on-board electrical energy storage device with useful capacity equivalent to greater than or equal to ten miles of Urban Dynamometer Driving Schedule (UDDS) range on electricity alone,
- is equipped with an on-board charger, and
- is intended to be rechargeable from an off-board electrical source.

“Passenger car” means any motor vehicle designed primarily for transportation of persons and having a design capacity of twelve persons or less.

“Light-duty truck” means any 2000 and subsequent model motor vehicle certified to the standards in section 1961(a)(1), Title 13, California Code of Regulations (CCR), rated at 8.5 thousand pounds gross vehicle weight or less, and any other motor vehicle rated at 6 thousand pounds gross vehicle weight or less, which is designed primarily for purposes of transportation of property or is a derivative of such a vehicle, or is available with special features enabling off-street or off-highway operation and use.

“Medium-duty passenger vehicle” means any medium-duty vehicle with a gross vehicle weight rating of less than 10 thousand pounds that is designed primarily for the transportation of persons. The medium-duty passenger vehicle definition does not include any vehicle which: 1) is an “incomplete truck” i.e., is a truck that does not have the primary load carrying device or container attached, or 2) has a seating capacity of more than 12 persons, or 3) is designed for more than nine persons in seating rearward of the driver’s seat, or 4) is equipped with an open cargo area of 72.0 inches in interior length or more. A covered box not readily accessible from the passenger compartment will be considered an open cargo area, for purposes of this definition.

“Medium-duty vehicle” means any heavy-duty low-emission, ultra-low-emission, super-ultra-low-emission or zero-emission vehicle certified to the standards in Section 1961(a)(1) or 1962, Title 13, CCR, having a manufacturer’s gross vehicle weight rating between 8,501 and 14 thousand pounds.

“Heavy-duty vehicle” means any motor vehicle having a manufacturer’s gross vehicle weight rating greater than 6 thousand pounds, except passenger cars.

“Urban bus” means a passenger-carrying vehicle powered by a heavy heavy-duty diesel engine (33 thousand Gross Vehicle Weight), or of a type normally powered by a heavy heavy-duty diesel engine, with a load capacity of fifteen (15) or more passengers and intended primarily for intra-city operation, i.e., within the confines of a city or greater metropolitan area. These buses are generally 35 feet in length or longer. Urban bus operation is characterized by short rides and frequent stops. To facilitate this type of operation, more than one set of quick-operating entrance and exit doors would normally be installed. Since fares are usually paid in cash or token, rather than purchased in advance in the form of tickets, urban buses would normally have equipment installed for

the collection of fares. Urban buses are also typically characterized by the absence of equipment and facilities for long distance travel, e.g., restrooms, large luggage compartments, and facilities for stowing carry-on luggage.

APPLICATION REQUIREMENTS

All projects shall meet the specific requirements of this solicitation. Applicants must meet these criteria and fully complete project applications to be considered for project funding consideration. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet contains the forms and guidelines necessary for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the Air Resources Board. Grant applications must be complete and meet all of the requirements set forth in this application packet.

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

Applications will be initially screened to determine if the application is complete.

EVALUATION AND SCORING

Minimum Project Criteria:

- Proposals requesting grant funds exceeding \$1.5 million will not be considered. There is no minimum project request.
- Project duration should not exceed two years, or alternatively, the portion of the project funded by AFIP grant funds must be planned to conclude prior to the last invoice submission deadline of March 30, 2009.
- Proposed projects must clearly address one or more of the topics listed under the **Eligible Projects: Topic Preference List** (above)
- Proposing entity must be able to encumber grant funds by June 30, 2007.
- For projects which include vehicle demonstrations:
 - Urban Bus or off-road vehicle proposals will not be considered under this category.
 - Projects must include provisions for monitoring the performance and usage of demonstration vehicles, for example, with driver logbooks or data acquisition systems. Proposals must include a detailed description of a data collection plan in the project description.
 - Demonstrations must take place within the State of California.
 - “Clean” Requirement: Demonstration vehicles including those equipped with aftermarket modification “kits” must be certified to meet ARB emissions standards or be operating under the necessary ARB experimental permits for the proposed duration of the project. Demonstration vehicles or modification kits must be certified or designed to meet California emission standards applicable to each vehicle type as described in the table below:

Type	CA Emission Standard
Passenger car/Light-duty truck	SULEV
Medium-duty vehicle and Medium-duty Passenger Vehicle	ULEV (for applicable weight class)
Heavy-duty vehicles (except Medium-duty and Medium-duty Passenger Vehicles)	(A) Vehicle-based: Meet medium-duty vehicle ULEV standards applicable to 10,001-14,000 lbs. wt. class, or (B) Engine-based: Engine certified or tested to meet applicable 2010 standard as described in Title 13, CCR, section 1956.8(a)(2)(A) ¹

PHEVs must certify to or demonstrate emissions performance on worst case (usually non-electric) fuels. If vehicles or modification kits have not yet been certified, the project description must include a detailed plan for obtaining the necessary certification and describe progress made to date. If demonstration vehicles are to be operated instead under an ARB experimental permit, the project description must include a detailed plan for obtaining this permit. This plan should include answers to all questions shown in Appendix B, "Instructions on How to Obtain an Experimental Permit".

- "Efficient" Requirements: Vehicles must demonstrate significant "tank-to-wheel" and overall "well-to-wheel" energy use reduction relative to existing technology vehicles in the same class and application. For vehicles with no existing in-use data to cite, modeling² or analysis must be included in the project description to support efficiency performance claims.
- Demonstration vehicles must be dedicated alternative fuel vehicles or PHEVs. Flex-fuel or bi-fuel vehicles will not be funded in this category unless all possible fuels to be used are alternative fuels.
- Medium-duty and other Heavy-duty dedicated CNG, LNG, or Biodiesel vehicles will not be eligible for AFIP funds unless they qualify as PHEVs.
- None of these AFIP funds may be used for incentives, grants, or any support of fuels derived from petroleum, petroleum coke, or coal. The only vehicles that may be, in part, fueled by petroleum-derived fuels and receive AFIP funds are PHEVs.

¹ This is identified in the regulation table under the Model Year heading as "2007 and subsequent." For the purposes of this solicitation averaging cannot be used to meet the current standards. The engine must meet the emissions value limits in the table. This is commonly referred to as the 2010 standard since it does not incorporate the averaging allowances provided by U.S. EPA in model years 2007 through 2009. All values are given in grams per brake horsepower hour (g/bhp-hr) Oxides of Nitrogen 0.2; Non-methane Hydrocarbons 0.14; Carbon Monoxide 15.5; Particulates 0.1. Please see the CCR for appropriate footnotes and information.

² See the National Renewable Laboratory (NREL) ADVISOR model located at http://www.nrel.gov/vehiclesandfuels/vsa/vehicle_simulation.html.

Project Scoring Criteria

Proposal scoring will be based on a panel consisting of representatives from the ARB, the California Energy Commission, and from other State Agencies. Project proposals that meet the minimum criteria will then be scored based on the scoring criteria described below. The maximum project score is 100 points. Qualifying projects with the highest overall scores will be eligible for funding.

Scoring Element	Criteria	Score Range	Maximum Score
Project Relevance to Topics (based on preference list, quality, and number of topics addressed)	Project addresses Medium Priority Topic(s)	0-15	25
	Project addresses High Priority Topic(s)	0-20	
	Project addresses Highest Priority Topic(s)	0-25	
ZEV Enabling (relevance to zero emission compatible fuels, for example, electricity & hydrogen)	No relevance to zero-emissions fuels	0	20
	Hydrogen blended fuels	5	
	PHEVs and hydrogen combustion vehicles	5-15	
	Directly involving ZEVs	20	
Project Team Qualification and Experience	Appropriate qualifications and experience relevant to proposed project	0-20	20
Cost Share Percent	No cost share (100 percent AFIP funded project)	0	10
	0 – 50 percent cost share	0-5	
	Greater than 51 percent cost share	10	
California Based Project Team	Some California-based participants	0-5	5
	All project participants are California-based	5	
Environmental Benefits	Reductions in criteria pollutants and global warming gases	0-10	10
Integral Outreach or Education Element	Extent of public education or outreach	0-5	5
Proposal Clarity and Completeness		0-5	5
Maximum Score			100

MONITORING AND REPORTING REQUIREMENTS

Awardees must submit quarterly reports that contain the following information:

- Milestones achieved/schedule status
- Funds expended to date (overall and State funds)
- Quarterly activity summary
- Activities planned for next quarter
- Any proposed deviations from the original project plan

Awardees must schedule and accommodate two onsite project review meetings. ARB or its representatives reserve the right to inspect all funded projects with a 48-hour notice for the life of the project.

DISBURSEMENT OF FUNDS

ARB will award the funds available through this request for grant proposal prior to June 30, 2007. The last invoice must be submitted to ARB on or before March 30, 2009.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

REQUIRED ELEMENTS

Project Description

Proponent shall describe project in sufficient detail for evaluation against all minimum and scoring criteria described above under "Evaluation and Scoring".

Deliverables

Proponent shall provide a plan that specifies proposed deliverables. These should include, at a minimum, quarterly status reports and a final report. Projects with a

duration extending beyond June 30, 2009 should include a comprehensive report with the final invoice that describes all results and conclusions obtained up until that time.

Timeline/Milestones

Proponent will be prepared to begin accepting grant funds after June 30, 2007. Proposal must include a project schedule showing all significant milestones.

Budget

Co-funding description – Proponents or partners may provide in-kind services or matching funds. These in-kind or funding contributions should be described in partner commitment letters and be included with the proposal submission. All significant project expenditures should be described in detail.

Partners/Project Team Members

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. This section should provide the names and information for any and all project team members and partners as well as letters of commitment from the partners included in the proposal.

APPENDIX A
Application Form

**PLUG-IN HYBRID AND ALTERNATIVE FUEL VEHICLES:
VEHICLE DEMONSTRATION AND RESEARCH APPLICATION FORM**

Please print clearly or type all information on this application and on all attachments.

A. APPLICANT INFORMATION

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification (if applicable)

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. DELIVERABLES/TIMELINE

Please list the deliverables that will be included in the project plan that you are proposing to the ARB and provide an estimated timeframe for completion.

[illegible]

If more room is needed, this form may be copied or recreated.

C. ESTIMATED COST OF PROJECT

Include all estimated labor and material costs associated with the project in accordance with the project plan.

[illegible]

If more room is needed, this form may be copied or recreated.

D. IN-KIND SUPPORT AND MATCHING FUNDS

Describe any expected in-kind support or matching funds to be provided by the applicant, subcontractor, or partner. Include contact information and a commitment letter describing the nature of the commitment.

[illegible]

If more room is needed, this form may be copied or recreated.

E. STAFF INFORMATION

Include information for each staff member to be involved in administering the Project.
Attach resumes.

Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	

If more room is needed, this form may be copied or recreated.

F. SUBCONTRACTOR AND PARTNER INFORMATION

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. Provide the names and information for any and all subcontractors and partners. Attach resumes and letters of commitment.

Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	

If more room is needed, this form may be copied or recreated.

GRANT APPLICATION CHECKLIST

Application Component	Description	Included?
A	Applicant Information	<input type="checkbox"/>
B	Deliverables/Timeline	<input type="checkbox"/>
C	Estimated Cost of Project	<input type="checkbox"/>
D	In-kind Support and Matching Funds	<input type="checkbox"/>
E	Staff Information	<input type="checkbox"/>
F	Subcontractor and Partner Information	<input type="checkbox"/>
G	Project Detailed Description	<input type="checkbox"/>
H	Partner Commitment Letters (if applicable)	<input type="checkbox"/>

APPENDIX B

Instructions on How to Obtain an Experimental Permit

Instructions on How to Obtain an Experimental Permit

These are instructions on how to obtain an experimental permit under the provisions of Health and Safety Code Section 43014.

To apply for an experimental permit, you must submit the following:

1. A brief description of your proposed modification. This description shall include:
 - A. The purpose of the modification.
 - B. Its basic theory of operation and functional characteristics.
2. A defined test program for obtaining pertinent data on driveability, fuel economy, and emission effects as applicable.
3. A statement indicating which, if any, emission control components are removed or modified.
4. The number and description of the test vehicle(s) to include the make, model, year, and (if available) license number or vehicle identification number (VIN) of the vehicle(s) you plan to modify. If you are modifying a heavy-duty vehicle, please include the engine serial number.
5. A statement indicating the disposition of the modified vehicle(s) at the end of the test program.

Please forward all correspondence to:

Annette Hebert, Chief
Mobile Source Operations Division
California Air Resources Board
9480 Telstar Avenue, Suite 4
El Monte, CA 91731

If you have any questions, please contact Ms. Rose Castro, Manager, Aftermarket Parts Section, at (626) 575-6848.

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT D

Transit Bus Projects

Mobile Source Control Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Transit Bus Projects

February 9, 2007

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INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The focus of this grant application packet is to solicit proposals for development and optimization of zero emission and zero emission enabling bus technology in transit fleets throughout California.

This request for grant proposals is to solicit proposals from transit agencies, nonprofit organizations, air districts, and collective non-governmental organizations (such as the Bay Area Metropolitan Transportation Commission) for demonstration and development of zero emission and zero emission enabling technologies for buses operating in California. Zero emission and zero-emission-enabling-bus technologies offer a promising way to help reduce total emission levels in transit fleets as well as draw dependence away from petroleum as a transportation fuel.

BACKGROUND

Air quality in California has improved dramatically over the past 30 years, due in large part to the continued progress in controlling pollution from mobile sources. Despite the achievements to date, the vast majority of Californians live in areas of the state that still do not meet State or Federal health-based ambient air quality standards.

In February 2000, the Board confirmed its continued commitment toward improving emissions from public transportation by establishing a new fleet rule for transit agencies and more stringent emission standards for new urban bus engines and vehicles. The rule also promoted advanced technologies by adopting Zero Emission Bus (ZBus) demonstration and ZBus acquisition requirements for larger transit agencies³. The focus areas of this proposal are ZBuses and ZBus Enabling Technologies.

Based on demonstrated performance, expected cost and availability, transit agencies viewed the fuel cell engine as the transportation industry's environmental solution and eagerly initiated efforts to further test and evaluate fuel cell buses. Despite the efforts of

³ ARB. February 24, 2000. Resolution 00-2.

the technology providers and transit agencies, ZBus technology has not developed as rapidly as initially projected. ZBus costs are still greater than current standard technology buses and durability, reliability, and ability of manufacturers to produce a fleet of ZBuses needs to be demonstrated. ZBus and Zero Emission Enabling Bus Technology help develop deployment of alternative fuels by promoting battery, electric motor, hydrogen fuel storage and infrastructure development.

ELIGIBILITY

Listed below are the minimum qualifications for applicants submitting proposals in response to this section of the Request for Grant Proposals (RFGP). The intent of the minimum qualifications is to ensure that the State receives vehicles able to meet demonstrations requirements. This RFGP is not intended to fund basic research. The qualifications in the RFGP are designed to ensure the State contracts with a viable business having a proven track record and a demonstrated ability to provide proven vehicles. The intent is not to exclude or eliminate applicants of a specific size or affiliation but to ensure that the funds are only to be used in a manner that meet the State's interest.

Minimum Applicant Qualifications

The following applicants are eligible grant recipient leads:

- Transit agencies,
- Nonprofit organizations,
- Air districts, or
- Collective non-governmental organizations for demonstration and development of zero emission and zero emission enabling technologies for buses operating in California.

Applicants must be able to provide proof that the company, if a corporation, is in good standing with the Secretary of State, and is qualified to do business in the State of California. For applicants that are non-profit organizations, provide proof of non-profit status. Also, attach copies of current business licenses, professional certifications, resumes, proof of financial solvency or stability (e.i., balance sheets and income statements for three years, and other credentials).

Project Manager proposed must have at least five years experience in purchasing and placing buses in revenue service and have experience managing successful alternative fueling projects. Applicants must possess significant active experience in transit operations such as developing and implementing an operating and maintenance program for buses, a plan to provide information to educate, inform and promote the bus and its benefit to the public, and oversight of the timeline for bus placement and operation.

Applicants are invited to apply for augmented funding for existing programs or for funding that will support a new bus development. Applicants shall provide information to demonstrate how they have met the qualifications as detailed in the proposal.

Minimum Qualifications for Projects

There are two types of Bus Projects that are eligible for incentive funding under this subsection: 1) projects that are zero emission buses (Zero Emission Bus Projects), and 2) projects that advance the zero emission enabling bus technology (Zero Emission Enabling Technology Projects).

Eligible Projects—General

This incentive program provides grants for applicants interested in developing and deploying zero emission and zero emission enabling technologies in buses. General criteria are as follows:

- The technology is for application in buses in transit agencies throughout California,
- Other state funding cannot be used for matching funds,
- The source(s) of other funding must be identified,
- The operating agency must be a partner in the proposal,
- The technology must be in use no later than June 30, 2008, and
- All monies must be disbursed by June 30, 2009.
- Each vehicle must be a new bus or an upgraded bus and must be able to be utilized by a transit agency for public use in California. The vehicle must have been approved by the ARB as a zero emission bus or a zero emission enabling bus.
- The bus must be certified in compliance with Federal and State safety standards or have an appropriate experimental vehicle waiver.
- Any modification of an original gasoline or diesel fueled bus to allow the use of liquefied and gaseous hydrogen as a fuel shall not in its operation, function, or malfunction, result in any unsafe condition endangering the motor vehicle, its occupants, other persons, or property in close proximity to the vehicle in accordance with the safety requirements specified for the original vehicle.

Eligible Zero Emission Bus Projects

To be eligible for funding as a Zero Emission Bus Project, the Bus must meet the zero emission bus definition as described below.

“Zero-emission bus” (for the purpose of this solicitation only) means a bus that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) under any and all possible operational modes and conditions. A hydrogen-fuel cell bus shall qualify as a zero-emission bus. An electric trolley bus with overhead twin-wire power supply shall qualify as a zero-emission bus. A battery electric bus shall qualify as a zero-emission bus. Incorporation of a fuel-fired heater shall not preclude an urban bus

from being certified as a zero-emission bus, provided the fuel-fired heater cannot be operated at ambient temperatures above 40°F and the heater is demonstrated to have zero evaporative emissions under any and all possible operational modes and conditions.

Eligible Zero Emission Enabling Bus Technology Projects

The purpose of the zero emission enabling bus technology is to demonstrate low emission technologies and zero emission enabling technology simultaneously. To be eligible for funding as a Zero Emission Enabling Bus Technology Project, the proposal must meet the following criteria:

- The engine has been certified as an urban bus engine or is in the process of being certified as an urban bus engine by the ARB to meet the applicable 2010 standard as described in Title 13, California Code of Regulations (CCR), section 1956.8(a)(2)(A)⁴;
- The manufacturer must present data that demonstrates that the engine emissions are at or below 50 percent of the applicable 2010 standard as described in Title 13, CCR, section 1956.8(a)(2)(A)¹;
- The bus must operate on a fuel or a blend containing a fuel that is used in a zero emission bus; and
- The zero emission enabling technology cannot utilize petroleum based fuels.

AVAILABLE FUNDING

The total available funding for zero emission buses and zero emission enabling bus technology is \$2 million. It is anticipated that this allocated amount will be distributed as grants within this category. However, should an insufficient number of quality proposals be received, monies may be shifted to other grant categories. Not all monies may be awarded. In no event will the total grant amount exceed \$25 million.

In addition, it is anticipated that several projects will be awarded helping to implement projects in transit agencies throughout California. There is not a minimum match share requirement for State monies, but the share of match funding will be considered in scoring the proposal.

DEFINITIONS

⁴ This is identified in the regulation table under the Model Year heading as “2007 and subsequent.” For the purposes of this solicitation averaging cannot be used to meet the current standards. The engine must be certified as an urban bus and must meet the values in the table. This is commonly referred to as the 2010 standard since it does not incorporate the averaging allowances provided by U.S. Environmental Protection Agency(EPA) in model years 2007 through 2009. All values are given in grams per brake horsepower hour (g/bhp-hr) Oxides of Nitrogen 0.2; Non-methane Hydrocarbons 0.14; Carbon Monoxide 15.5; Particulates 0.1. Please see the CCR for appropriate footnotes and information.

“Alternative Fuel” (used for the purpose of diesel particulate matter control devices such as the Zero Emission Buses) means natural gas, propane, ethanol, methanol, gasoline (when used in hybrid electric buses only), hydrogen, electricity, fuel cells, or advanced technologies that do not rely on diesel fuel. “Alternative fuel” also means any of these fuels used in combination with each other or in combination with other non-diesel fuels. This definition is used to determine the fueling path of the transit agencies.

“Commuter Service Bus” means a passenger-carrying vehicle powered by a heavy heavy-duty diesel engine or of a type normally powered by a heavy heavy-duty diesel engine that is not otherwise an urban bus and which operates on a fixed route primarily during peak commute hours and that has no more than ten scheduled stops per day, excluding park-and-ride lots. A commuter service bus is a transit fleet vehicle.

“Hybrid-Electric Bus” (HEB) means an urban bus equipped with at least two sources of energy on board; this energy is converted to motive power using electric drive motors and an auxiliary power unit, which converts consumable fuel energy into mechanical or electrical energy. The electric drive motors must be used partially or fully to drive the vehicle's wheels.

“Revenue Service” for the purpose of this solicitation means that the bus is carrying passengers for fares.

“Terminal” means any place or places where a vehicle is regularly garaged or maintained, or from which it is operated or dispatched, which may include a private business or residence.

“Transit agency” means a public entity responsible for administering and managing transit services. Public transit agencies can directly operate transit service or contract out for all or part of the total transit service provided.

“Transit Fleet Vehicle” means an on-road vehicle greater than 8.5 thousand pounds Gross Vehicle Weight Rating (GVWR) normally powered by a heavy-duty engine fueled by diesel or alternative fuel, owned or operated by a transit agency, and which is not an urban bus.

“Urban bus” means a passenger-carrying vehicle powered by a heavy heavy-duty diesel engine (33 thousand Gross Vehicle Weight), or of a type normally powered by a heavy heavy-duty diesel engine, with a load capacity of fifteen (15) or more passengers and intended primarily for intra-city operation, i.e., within the confines of a city or greater metropolitan area. These buses are generally 35 feet in length or longer. Urban bus operation is characterized by short rides and frequent stops. To facilitate this type of operation, more than one set of quick-operating entrance and exit doors would normally be installed. Since fares are usually paid in cash or token, rather than purchased in advance in the form of tickets, urban buses would normally have equipment installed for the collection of fares. Urban buses are also typically characterized by the absence of

equipment and facilities for long distance travel, e.g., restrooms, large luggage compartments, and facilities for stowing carry-on luggage.

“Verified” means that a diesel emission control strategy or system has received approval from the Executive Officer according to the “Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines” in title 13, CCR, commencing with section 2700, and incorporated by reference.

“Zero Emission Enabling Bus” means a bus that meets all of the following criteria:

- The engine has been certified as an urban bus engine or is in the process of being certified as an urban bus engine by the ARB to meet applicable 2010 standard as described in Title 13, CCR, section 1956.8(a)(2)(A)¹;
- The manufacturer must present data that demonstrates that the engine emissions are at or below 50 percent of the applicable 2010 standard as described in Title 13, CCR, section 1956.8(a)(2)(A)¹;
- The bus must operate on a fuel or a blend containing a fuel that is used in a zero emission bus; and
- The zero emission enabling technology cannot utilize petroleum based fuels.

“Zero Emission Bus” means an Executive Officer certified urban bus that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) under any and all possible operational modes and conditions. A hydrogen-fuel cell bus shall qualify as a zero-emission bus. An electric trolley bus with overhead twin-wire power supply shall qualify as a zero-emission bus. A battery electric bus shall qualify as a zero-emission bus. Incorporation of a fuel-fired heater shall not preclude an urban bus from being certified as a zero-emission bus, provided the fuel-fired heater cannot be operated at ambient temperatures above 40°F and the heater is demonstrated to have zero evaporative emissions under any and all possible operational modes and conditions.

APPLICATION REQUIREMENTS

All projects shall meet the specific requirements of this solicitation. Applicants must meet these criteria and fully complete project applications to be considered for project funding consideration. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet is to be completed by applicants and contains the forms and guidelines for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the ARB. Grant applications must be complete and meet all of the requirements set forth in this application packet.

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

Applications will be initially screened to determine if the application is complete. Applications will also be screened to determine that the projected bus delivery date to the operating agency is no later than June 30, 2008.

EVALUATION AND SCORING CRITERIA

The ARB will conduct an evaluation of each qualifying project based on the merit of the grant proposal. The maximum score is 100 points. Qualifying projects within each category will be considered for funding.

A multi-agency state team will review, evaluate, and make recommendations on the provided grant proposals. The multi-agency state team is comprised of the Air Resources Board (ARB), California Energy Commission (CEC), California Department of Food and Agriculture (CDFA), Department of Forestry and Fire Protection (CDF), Integrated Waste Management Board (IWMB) and Water Resources Control Board (WRCB).

A panel of three ARB staff experienced with the zero emission bus program will evaluate each proposal based on the criteria described below. The maximum score possible is 100. The applicants with the highest overall score will be eligible for funding.

The following guidelines will be used by all reviewers in evaluating proposals submitted in response to the RFGP. Each individual proposal will be evaluated separately and assigned its own score based upon the criteria described below.

Scoring

1. Project Cost (maximum of 15 points)

In the application provided, applicants will clearly state costs for each item included in their proposed plan. Costs will include all estimated labor, overhead costs, and material and product fees associated with each item in the proposed plan. For items with many variables, applicants will provide cost ranges for various likely scenarios. Total funds allocated for transit bus projects is estimated at \$2 million. Scoring will be weighted as follows:

Project Cost-Proposal Characteristics	Points Earned
Costs are less clear, not inclusive of all potential fees, and/or the total costs appear too high for the level and quality of work to be performed.	0 – 5 points
Costs are represented clearly and are inclusive of all potential fees, but appear too high for the level and quality of work to be performed.	6 – 10 points
Costs are represented clearly, are inclusive of all potential fees, and are appropriate for the level and quality of work to be performed.	11 – 15 points

2. Propulsion System (maximum 15 points)

For each individual vehicle, mark all that apply.

Propulsion System Proposal Characteristics	Points Earned
Project utilizes hydrogen fuel for propulsion system	5 points
Project utilizes a fuel cell for the propulsion system	5 points
Project utilizes a battery for the propulsion system.	5 points

3. Emissions (maximum 15 points)

Indicate the description that best describes the vehicle.

Emissions Proposal Characteristics	Points Earned
All other Zero Emission Enabling Buses	5 points
Zero Emission Enabling Bus [can demonstrate 75 percent less emissions than the applicable 2010 exhaust emission standards as described in Title 13, CCR, section 1956.8(a)(2)(A) ¹]	10 points
Zero Emission Bus	15 points

4. Bus Parameters and Operation (maximum 15 points)

Bus Parameters and Operation Proposal Characteristics	Points Earned
Length of Bus (40 feet scores most points, no points awarded less than 20 feet)	0 – 5 points
Plan for operation during and after the funded program (longer in revenue operation will score most points)	0 – 5 points
Number of seated passengers (35 seated passengers scores most points, no points awarded if less than 15 seated passengers)	0 – 5 points

5. Match Funding (maximum 10 points)

Minimum Requirements:

Applicants must clearly state exactly how much State funding they are applying for. Each proposal will present a spread sheet itemizing costs to be applied as matching costs. Each will detail their estimates of all capital equipment, facility, and personnel costs, clearly showing their portion of any cost matches. Points only awarded if application shows match funding above 50 percent.

Match Funding Proposal Characteristics	Points Earned
State funds matched with non state funds (scored on a ratio of bidder to State funding).	0 – 5 points
Type of companies matching funds. Applicants with a higher percentage of non-governmental funds will score higher (scored on a ratio of bidder to non-governmental funding).	0 – 5 points

6. Size of Operating Agency (maximum 5 points)

For each individual vehicle, indicate the description that best describes the operating agency, the placement and operation of the vehicle, and the terminal where the bus will be located.

Operating Agency Size Proposal Characteristics	Points Earned
Agencies with over 200 buses (urban and other bus types) in revenue service score most points	0 – 3 points

Agencies with over 200 urban buses ⁵ in revenue service score most points, no points awarded for agencies with less than 50 urban buses).	3 – 5 points
--	---------------------

7. Fueling Path of Operating Agency (maximum 5 points)

For each individual vehicle, indicate the description that best describes the placement and operation of the vehicle.

Proposal Characteristics	Points Earned
Agencies that are not subject to the ZBus Regulation	3 points
Agencies on Alternative Fuel Path that are subject to the ZBus Regulation	5 points

8. Application Requirements and Clarity (maximum 10 points)

Applicant proposals will be evaluated based upon the ability of their proposed communications plans to adhere to the Scope of Work provided and meet ARB's goals. Incomplete applications will not be considered or scored.

Scoring will be weighted as follows:

Application Proposal Characteristics	Points Earned
Proposal is unclear and/or not organized, and/or does not provide the highest impact for the funding provided.	0 – 3 points
Proposal is less clear and/or less organized, and considers the budget.	4 – 6 points
Proposal is clear, concise, and organized well. Vehicles and operation schedule maximize the budget	7 – 10 points

9. Knowledge and Experience (maximum 10 points)

Proposals will be evaluated based upon the experience applicable to the project requested in this solicitation. Applicants are invited to apply to augment funding for existing programs, or for funding that will support additional buses or new bus development. Applicants shall provide information to demonstrate how they have met the qualifications as detailed in the proposal.

Minimum Requirements:

Applicants must be able to provide proof the company, if a corporation, is in good standing with the Secretary of State, and is qualified to do business in the State of California. For applicants that are non-profit organizations, provide proof of non-profit status. Also, attach copies of current business licenses, professional certifications, resumes, proof of financial solvency or stability (e.g., balance sheets and income statements for three years, and other credentials).

⁵ Transit agencies with over 200 urban buses are subject to the zero emission bus regulation.

Project Manager proposed must have at least five years experience in purchasing and placing buses in revenue service and have experience managing successful alternative fueling projects. Applicants must possess significant active experience in transit operations such as developing and implementing an operating and maintenance program for buses, a plan to provide information to educate, inform and promote the bus and its benefit to the public, and oversight of the timeline for bus placement and operation.

Scoring will be weighted as follows:

Experience Proposal Characteristics	Points Earned
Applicant meets the minimum qualifications but lacks in experience applicable to the project requested.	0 – 3 points
Applicant demonstrates qualifications to carryout the scope of work.	4 – 6 points
Applicant demonstrates extensive and/or strong knowledge and experience directly applicable to the type of project requested in this solicitation.	7 – 10 points

MONITORING AND REPORTING REQUIREMENTS

Quarterly updates shall be provided to staff, starting with the design and construction of the bus and continuing through the operation. Monitoring and reporting parameters need to be compared to conventional bus technology operation on the following parameters: miles driven per bus in revenue service, miles between propulsion related road calls, miles between road calls, availability of bus for pull out, fuel economy, fueling costs, infrastructure costs, initial cost of bus, maintenance costs of propulsion related components, warranty of power plant and propulsion related components, bus down time (scheduled and unscheduled), safety incidents, driver and mechanic training conducted, and maintenance (both scheduled and unscheduled).

A draft report shall be submitted by March 31, 2009, and contain, at a minimum, the following information:

- a brief description of the technology utilized, identification of bus manufacturer, and the product specifications;
- a narrative and qualitative comparison with similar conventional buses on the following parameters: miles driven per bus in revenue service, miles between propulsion related road calls, miles between road calls, availability of bus for pull out, fuel economy, fueling costs, infrastructure costs, initial cost of bus, maintenance costs of propulsion related components, warranty of power plant and propulsion related components, bus down time (scheduled and unscheduled), safety incidents, driver and mechanic training conducted, and maintenance (both scheduled and unscheduled). This data should include data from the time the transit agency receives the bus and discuss how data has or has not changed throughout the project timeline;

- transit personnel and passenger qualitative experience; and
- a financial summary of the capital costs of bus purchases and/or leases and fueling infrastructure.

A final report shall be submitted by June 30, 2009. The final project report must contain an update of the information included in the draft report (significant changes and or events must be qualitatively discussed). In addition, the following information must also be addressed:

- a financial summary of capital costs of demonstration program, including bus purchases and/or leases, fueling infrastructure, any new facilities or modifications, and annual operating costs; and
- the report must describe the highlights and challenges of what was involved in successfully placing the bus in service. The report must contain description of each of the main stages involved from planning through completion and operation of the bus. The report must include a list of recommendations that might benefit other transit agencies that purchase a bus of similar design in the future. A draft of the final report must be submitted to ARB staff for review and comment at least sixty (60) days before the submission of the final report.

DISBURSEMENT OF FUNDS

Proposed Payment Schedule – Funds will be disbursed over the life of the grant project. Proposal must include a recommended schedule of payments or invoices for the duration of the project. Payments must have clear documentation and back up and be clearly defined and based on the completion of specific milestones.

Here are some potential milestones: receipt of bus, placement of bus in revenue service, draft and final reporting, testing and certification, and operation. It must be noted that the State of California does not pay for services or products in advance.

Example of a proposed payment schedule:

- First installment paid at time contract between the transit agency and bus manufacturer is signed
- Second installment paid at delivery of bus (new or upgraded) to transit agency
- Third installment paid at time bus is revenue service
- Fourth installment paid at time of six month report
- Fifth installment paid at time of final report

Alternative schedules and milestones will be considered.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

REQUIRED ELEMENTS

The proposal must include, at the minimum the information described below:

1. Qualifications and Experience

All applicants shall provide information to demonstrate how they have met the minimum qualifications as detailed previously in Minimum Qualifications for Applicants, page 4. The proposal must provide clear, straightforward and concise descriptions of the applicant's ability to satisfy the requirements of the RFGP. The proposal must be complete and accurate.

Applicants must be able to provide proof the company, if a corporation, is in good standing with the Secretary of State, and is qualified to do business in the State of California. For applicants that are non-profit organizations, provide proof of non-profit status. Also, attach copies of current business licenses, professional certifications, resumes, proof of financial solvency or stability (e.g., balance sheets and income statements for three years, and other credentials).

Project Manager proposed must have at least five years experience in purchasing and placing buses in revenue service and have experience managing successful alternative fueling projects. Applicants must possess significant active experience in transit operations such as developing and implementing an operating and maintenance program for buses, a plan to provide information to educate, inform and promote the bus and its benefit to the public, and oversight of the timeline for bus placement and operation.

2. Partners/Subcontractors

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. The proposal must provide the names and contact information, for

any and all subcontractors and partners. Letters of commitment from the partners, and what they are committing to should also be included in the proposal.

3. Proposal Qualifications

Proposal must provide a description of the vehicle attributes including technology type, performance characteristics, on board fuel storage capacity and unique features.

4. Vehicle Minimum Qualifications

The proposal must demonstrate that each vehicle to be funded is a new bus or an upgraded bus that can be utilized by a transit agency for public use in California. The vehicle must meet the requirements of a zero emission bus or a zero emission enabling bus as defined in the definition section of this RFGP.

Any modification of an original gasoline or diesel fueled bus to allow the use of liquefied and gaseous hydrogen as a fuel shall not in its operation, function, or malfunction, result in any unsafe condition endangering the motor vehicle, its occupants, other persons, or property in close proximity to the vehicle in accordance with the safety requirements specified for the original vehicle.

5. Deliverables

Proponent shall provide a plan that spells out the following processes: process to receive bus no later than June 30, 2008, process for putting bus in revenue service as defined in this RFGP no later than September 30, 2008, timeline for reports, monitoring of funds, and communication with ARB (to include reports).

The plan must acknowledge acceptance of the following requirements for additional deliverables as listed below. After the execution of the contracts with the ARB, the selected bidders must communicate with the contracts manager the progress of the bus construction. To ensure this takes place in a regular manner, the following deliverables will be expected:

- Immediate submittal of incident reports, during bus operation.
- Monthly status reports will be scheduled and conducted via teleconference line, or in person with staff and management of the Sustainable Transportation Technology Branch.
- Quarterly vehicle reports will be required, once the bus is received by the operating agency.
- Quarterly written progress reports that summarize project status, achievement of milestones, preliminary findings, deviations from plan, new recommendations, if any, financial summary and invoices due to the ARB.

- Quarterly progress meetings between applicant, transit agency and ARB personnel, held on-site at the transit agency, if necessary. Submittal of written notes/summary of meeting required.
- Final report must describe the highlights and challenges of what was involved in successfully placing the bus in service. The report must contain a description of each of the main stages involved from planning through completion and operation of the bus. The report must include a list of recommendations that might benefit other transit agencies that purchase a bus of similar design in the future. A draft of the final report must be submitted to ARB staff for review and comment at least sixty (60) days before the submission of the final report.
- From the beginning of the project, forward a copy of all training, performance, specification manuals, schematics, operators, maintenance and troubleshooting manuals to ARB staff as soon as available.

6. Timeline/Milestones

- Proponent will prepare a timeline with all relevant milestones identified and provide a proposed plan for making sure timeline is met. All funds must be disbursed by June 30, 2009.

7. Project Description

The written proposal will be presented in two (2) main sections, the Technical Chapter and the Cost Chapter.

- Summary – A concise write up outlining the main thinking behind the proposal including the features and benefits of the proposal.
- Project Schedule – The proposal must include a comprehensive calendar of the entire project. This must include the time of the submission of the bid, to the completion of the work funded by this solicitation, and projected future plans, if any. The State values projects that have a plan to operate beyond the contract timeframes. The calendar must include timeframes for each major task, highlighting the milestones, necessary paths and responsible party for each. These tasks will include bus delivery, date bus is in revenue service, draft report, final report, and other relevant tasks.
- Engineering – The proposal must include description of type of vehicle and propulsion system, proposed contract, identify fueling site, letter from all partners securing funding, a schedule for receipt of bus, and placement of bus in revenue service. Include text describing each of the proposed test/certification procedures in order to verify and validate the correct performance, as well as adequate safety of the vehicle.

- **Proposal Requirements** – The proposal must clearly outline and provide detailed information as to how each of the minimum qualifications has been met, and to what extent the minimum qualifications have been exceeded.
- **Management Plan** – The proposals must include a project management plan including the management structure and project organization.
- **Qualifications Section** – The proposals must name all partners, their qualifications, capabilities and roles. The proposal must identify by name all key personnel assigned to the project and clearly describe their individual areas of responsibility. For each individual, include company, and individual resumes, and contact information.

8. Cost Detail Format and Requirements

The Cost Chapter of the proposal must include, at the minimum, the information described below:

- **Summary** – concise write-up outlining the different estimated costs of the bus.
- **Cost Spreadsheet** – This contract is a firm fixed cost contract. All costs must be provided for each task and deliverable.
- **Labor** – List total number of hours and hourly billing rate for each level of professional staff. List direct labor rate, overhead rate and amount, fringe benefit rate and amount. List administrative rate and amount. Provide a justification of rates of pay as well.
- **Subcontractor costs** – List subcontractor costs and identify each contractor where possible by name. List charges per hour and by day.
- **Travel Costs** – Indicate amount of travel cost and basis of estimate to each destination, purpose of trip, airline fare and/or mileage expense, per diem costs lodging costs and car rental. Travel costs must be in accordance with the State of California Department of Personal Administration guidelines used for State employee travel.
- **Other Direct Costs** – This category may include such items as postage, mailing, courier, printing/reproduction costs, etc. Provide basis of estimate for these costs.
- **Equipment costs** – Provide proposed prices of commercially available off-the-shelf equipment/components (where available) and include catalog price or price list.
- **Maintenance costs** – Include an estimate of maintenance costs over the contract period. Include description of all warranty coverage and an estimate of routine and preventative maintenance, as well as a reserve for unscheduled maintenance.

- Co-funding – Proponents may provide in-kind services or match funding. Application should show total Federal, State, and local government funds along with funds from other groups. Applicants with a higher percentage of non governmental funds will score higher.
- Expenditures – Proponents shall prepare a quarterly report containing the elements enumerated in the Monitoring and Reporting Requirements section.

The costs for the proposed work should be broken down and identified. Please expand on each category as appropriate to cover fully all proposed costs. In addition, please itemize fully those costs that you plan on using to obtain State matching funds. Identify and justify any and all overhead costs.

9. Proposed Payment Schedule

Proposal must include a recommended schedule of payments or invoices for the duration of the project. Payments must have clear documentation and back up and be clearly defined and based on the completion of specific milestones. Include milestones such as receipt of bus, placement of bus in revenue service, draft and final reporting, testing and certification, and operation. It must be noted that the State of California does not pay for services or products in advance.

10. Cost Share Requirements

Applicants must clearly state exactly how much State funding they are applying for. Each proposal will present a spread sheet itemizing costs to be applied as matching costs. Each will detail their estimates of all capital equipment, facility, and personnel costs, clearly showing any cost sharing.

Allowable hydrogen cost share items: generating, storage, purification, dispensing and related support equipment. Site preparation, engineering, consulting, and labor related to the station. Time and materials spent towards education and community outreach events and efforts.

Items not allowed to be counted in the cost share equation: existing vehicles, real estate and feed stocks used to generate hydrogen.

Application Checklist

Alternative Fuels Incentive Program

1. APPLICANT INFORMATION

Company _____
Street Address _____
City/State/Zip Code _____
Primary Contact _____
Phone _____ E-mail _____

2. AFIP Funding Requested

Amount of Funds Requested \$ _____

Project Type

- ☐ E85
- ☐ Biofuels
- ☐ PHEVs
- ☐ Buses
- ☐ Incentives
- ☐ Outreach

3. Matching Funds

- ☐ No
- ☐ Yes Amount \$ _____ Percentage of project _____
- ☐ Commitment letters from partners showing matching fund commitment

4. Budget

- ☐ Co-funding
- ☐ Expenditures

5. ☐ Timeline

6. ☐ Project Checklist

APPENDIX A
Application Form

TRANSIT BUS PROJECTS APPLICATION FORM

Please print clearly or type all information on this application and on all attachments.

A. APPLICANT INFORMATION

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

TRANSIT BUS PROPOSALS

B. DELIVERABLES/TIMELINE

[illegible]

If more room is needed, this form may be copied or recreated.

C. ESTIMATED COST OF PROJECT

Include all costs, such as estimated labor, overhead costs, and material and product fees associated with each item in the proposed plan. For items with many variables, provide cost ranges for various likely scenarios. Total funds allocated for transit bus projects is estimated at \$2 million.

[illegible]

If more room is needed, this form may be copied or recreated.

D. ESTIMATED COST OF ADDITIONAL ACTIVITIES IF A LARGER BUDGET WERE AVAILABLE.

Include all costs, such as estimated labor, overhead costs, and material and product fees associated with each item in the proposed plan. For items with many variables, provide cost ranges for various likely scenarios. Total funds allocated for transit bus projects is estimated at \$2 million.

PLAN ITEM	ESTIMATED COST

If more room is needed, this form may be copied or recreated.

E. STAFF

Include the name, title, contact information and staff labor costs for all staff working on the project and attach resumes.

1.
2.
3.
4.

If more room is needed, this form may be copied or recreated.

F. SUBCONTRACTORS

Please include the name and contact information for any subcontractors, the work they will be performing and their experience. Remember to attach letters of commitment from all partners and subcontractors with this application.

1.
2.
3.
4.

If more room is needed, this form may be copied or recreated.

TRANSIT BUS PROPOSALS

A. PROJECT DESCRIPTION AND BACKGROUND OF PROGRAM

--

B. DESCRIPTION OF OPERATING AGENCY

--

C. SUMMARY OF PROJECTED OPERATION SCHEDULE AND PLANS FOR BUS AFTER GRANT IS COMPLETED

--

D. TOTAL PROJECT COST AND REQUESTED FUNDING

E. AMOUNT AND STATUS OF THE MATCHING FUNDING

F. AMOUNT AND JUSTIFICATION FOR OVERHEAD COSTS

G. PROPOSED PAYMENT SCHEDULE FOR SOLICITATION FUNDING

TASK	ASSOCIATED DELIVERABLE	ESTIMATED COMPLETION DATE

If more room is needed, this form may be copied or recreated.

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT E

Alternative Fuel Vehicle Incentive Program

Mobile Source Control Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Alternative Fuel Vehicle Incentive Program

February 9, 2007

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PROPOSED GUIDELINES FOR IMPLEMENTING THE ALTERNATIVE FUEL VEHICLE INCENTIVE PROGRAM	Appendix B

INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The focus of this grant application packet is to solicit proposals for the Alternative Fuel Vehicle Incentive Program. This request for grant proposals is to solicit proposals from qualified foundations, non-governmental organizations, educational facilities, and other parties interested in administering an incentive program for electric, fuel cell, plug-in hybrid, and alternative fuel vehicles in California. These vehicles promise to reduce vehicle emissions and also present an opportunity to address two ancillary negative impacts of conventionally-fueled cars and small trucks – global climate change and petroleum energy dependence.

BACKGROUND

Air quality in California has improved dramatically over the past 30 years, largely due to continued progress in controlling pollution from motor vehicles. Faced with ever more stringent regulations, vehicle manufacturers have made remarkable advances in vehicle technology. Thousands of zero- and partial zero emission vehicles are now in everyday service on California roads, and the latest conventional internal combustion engine vehicles achieve emission levels that seemed impossible just a few short years ago.

Despite this progress, air quality in many areas of the state still does not meet Federal or State health-based ambient air quality standards. Mobile sources are still responsible for well over half of the ozone-forming emissions in California, and passenger cars and small trucks are responsible for a significant portion of the mobile source contribution. State and federal law requires the implementation of control strategies to attain ambient air quality standards as quickly as practicable.

Working synergistically with these control strategies are vehicle “buy-down” incentives designed to offset the incremental additional cost of advanced automotive technologies until production economies of scale bring the prices down to a competitive level.

Since 1996, several incentive programs have provided grants for electric, hybrid electric, and dedicated natural gas passenger cars and light-duty trucks. These programs are administered by the California Air Resources Board (ARB or Board) and

local air districts, the California Energy Commission (CEC), and the Mobile Source Air Pollution Reduction Committee (MSRC). The grants ranged from \$1 thousand for hybrid electric vehicles to \$11 thousand for battery electric vehicles operating in fleets in environmental justice communities.

ELIGIBILITY

The Board is soliciting proposals for an entity to administer the Alternative Fuel Vehicle Incentive Program (AFVIP). Up to \$1.5 million is available for this incentive program to provide grants to eligible electric, plug-in hybrid and alternative fuel passenger cars, light- and medium-duty trucks, and motorcycles. Specific vehicle eligibility is detailed in the attached “Draft Guidelines for Implementing the Alternative Fuel Vehicle Incentive Program” (guideline document).

An eligible entity will be foundations, non-governmental organizations, educational facilities, or other parties possessing significant active experience administering a grant award program and having a general knowledge of the Board’s clean vehicle program.

ELIGIBLE PROJECTS/SCOPE OF WORK

The winning entity will:

- Consult with the ARB on outreach to potential vehicle applicants
- Use the criteria in the attached guidelines document to review and approve applicants and vehicles eligible to receive AFVIP grants
- Distribute grant payments to eligible applicants
- Track grant funding
- Closely communicate with the ARB to ensure that they are using the most current vehicle eligibility list
- Provide a quarterly report to the ARB detailing grant awards and monies spent

AVAILABLE FUNDING

The total funding available through this solicitation for AFVIP grants is \$1.5 million. There is no minimum match share requirement, but the share of match funding will be considered in scoring the proposal. Funding is estimated to be broken down as follows:

- Grants to eligible vehicle recipients equal at least \$1.35 million to be dispersed in grants of \$1 thousand to \$10 thousand in accordance with section 3.2 of the attached guidelines document.
- Program Management/Administrative Costs will not exceed \$150 thousand.

DEFINITIONS

Refer to the Appendix A section of the attached guideline document.

APPLICATION REQUIREMENTS

Prospective contractors need to meet the specific requirements of this solicitation. To be considered for the grant award, contractors must fully complete the project application and demonstrate through their application that they meet the required elements of this solicitation. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet contains the forms and guidelines necessary for submitting complete proposals for funding. The decisions regarding eligible applicants and proposals that are ultimately funded will be the sole discretion of the Air Resources Board. Grant applications must be complete and meet all of the requirements set forth in this application packet.

APPLICATION PROCESS

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

Applications will be initially screened to determine if the application is complete. Additional information may be requested during the application review process if needed.

EVALUATION AND SCORING

The ARB will evaluate each proposal based on the criteria described below. The maximum score is 100 points. The contractor with the highest overall score will be eligible for funding.

Program Management Costs (maximum 30 points)

Up to ten percent of the funding available through this grant may be used for administrative costs. Proponents will clearly state the cost of administering the grant program.

Proposal Characteristics	Points Earned
Costs are unclear, not inclusive of all potential fees, and/or the total costs seem too high for the level and quality of work to be performed.	0 – 10 points
Costs are represented clearly and are inclusive of all potential fees, but seem too high for the level and quality of work to be performed.	11 – 20 points
Costs are represented clearly, are inclusive of all potential fees, and are appropriate for the level and quality of work to be performed.	21 – 30 points

In-kind Support and Match Funding (maximum 30 points)

Proponents will identify possible in kind services and grant match funding opportunities. Grants to eligible vehicle applicants are expected to constitute no less than \$1.35 million of the total grant awarded to the contractor.

Proposal Characteristics	Points Earned
No or limited match funding; no or limited in-kind support.	0 – 10 points
Adequate match funding and/or in-kind support available.	11 – 20 points
Extensive match funding and/or in-kind support available.	21 – 30 points

Experience (maximum 20 points)

Proponents will be evaluated based on their experience administering a grant program and their knowledge of the Board's clean vehicle goals.

Proposal Characteristics	Points Earned
Applicant meets the minimum qualifications, but lacks in experience applicable to the project requested.	0 – 7 points
Applicant demonstrates qualifications to carryout the scope of work.	8 – 14 points
Applicant demonstrates extensive and/or strong experience directly applicable to the type of activity requested in this solicitation.	15 – 20 points

Plan (maximum 20 points)

Proponents will be evaluated based the completeness of their plan for administering program grants.

Proposal Characteristics	Points Earned
Plan is unclear, lacks creatively, and/or does not provide the highest impact for the funding provided.	0 points
Plan is complete, provides high impact recommendations, and considers the budget.	1 – 10 points
Plan is well organized, tailors recommendations creatively and appropriately to ARB's needs and goals, and recommends high-impact activities that maximize the budget.	11 – 20 points

MONITORING AND REPORTING REQUIREMENTS

The selected contractor must submit quarterly reports to ARB containing the following information:

1. Number of applicant contacts
2. Number of applications received
3. Number and amount of grants awarded broken out by vehicle
4. Remaining grant funding available
5. Identified problems or concerns

ARB reserves the right to audit the AFVIP with a minimum of 48-hour notice for the life of the project contract.

DISBURSEMENT OF FUNDS

ARB will encumber 100 percent of the funds (\$1.5 million) available through this request for grant proposal prior to June 30, 2007. Those monies will be disbursed as follows:

- The winning bidder shall invoice the ARB quarterly for program administration costs after receiving approval from the ARB. Invoice amounts shall be commensurate with the number of hours expended on program development, outreach and grant processing.
- The winning bidder shall invoice the ARB approximately monthly for the actual cost of award grants to eligible applicants based upon collected grant vouchers as detailed in the attached guidelines document, beginning upon initiation of the consumer grant program and continuing until June 30, 2009 or until all grant funds are expended, whichever occurs first.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

REQUIRED ELEMENTS

Deliverables

The proponent shall provide a plan that spells out the following processes: consultation on ARB staff outreach to prospective eligible applicants, grant evaluation, grant award, monitoring of funds, and communication with ARB (to include quarterly reports).

Timeline/Milestones

The proponent shall demonstrate in their plan that they will be prepared to accept grant applications and begin awarding grants no later than June 30, 2007. The grant award program will continue through June 30, 2009.

Budget

Co-funding – Proponents may provide in-kind services or match funding. The bid submittal should itemize in-kind services as well as their value using Section D of the application form. The bid submittal should address the availability of match funding including source and value using the same section of the application form.

The proponent's project plan should describe additional activities that could be conducted in the event that either additional 2006 fiscal year AFIP funding becomes available or future fiscal year budgets allocate funding to continue the AFVIP grants.

Partners/Subcontractors

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. This section should provide the names and information for any and all subcontractors and partners as well as letters of commitment from the partners included in the proposal.

APPENDIX A
Application Form

AFVIP PROGRAM ADMINISTRATOR APPLICATION FORM

Please print clearly or type all information on this application.

A. APPLICANT INFORMATION

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification (if applicable)

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. DELIVERABLES/TIMELINE

Please list the deliverables that will be included in the project plan that you are proposing to the ARB and provide an estimated timeframe for completion.

[illegible]

If more room is needed, this form may be copied or recreated.

C. ESTIMATED COST OF PROJECT – Not to Exceed \$150 Thousand

Include all estimated labor and material costs associated with administering the project in accordance with the project plan. Total funds allocated for the project may not exceed \$150 thousand.

[illegible]

If more room is needed, this form may be copied or recreated.

D. IN-KIND SUPPORT AND MATCHING FUNDS

Describe any expected in-kind support or matching funds to be provided by the applicant, subcontractor, or partner. Include contact information and a commitment letter describing the nature of the commitment.

[illegible]

If more room is needed, this form may be copied or recreated.

E. STAFF INFORMATION

Include information for each staff member to be involved in administering the AFVIP.
Attach resumes.

Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	

If more room is needed, this form may be copied or recreated.

F. SUBCONTRACTOR AND PARTNER INFORMATION

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. Provide the names and information for any and all subcontractors and partners. Attach resumes and letters of commitment.

Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties:	

If more room is needed, this form may be copied or recreated.

AFVIP APPLICATION CHECKLIST

Application Component	Description	Included?
A	Applicant Information	<input type="checkbox"/>
B	Deliverables/Timeline	<input type="checkbox"/>
C	Estimated cost of project	<input type="checkbox"/>
D	In-Kind Support and Matching Funds	<input type="checkbox"/>
E	Staff Information	<input type="checkbox"/>
F	Subcontractor and Partner Information	<input type="checkbox"/>

APPENDIX B

Proposed Guidelines for Implementing the Alternative Fuel Vehicle Incentive Program

**State of California
California Environmental Protection Agency**

AIR RESOURCES BOARD

**GUIDELINES FOR IMPLEMENTING THE ALTERNATIVE FUEL
VEHICLE INCENTIVE PROGRAM**



Program Administration:

Contact Name
Contact Phone
Contact Email

ARB Program Contact:

Contact Name
Contact Phone
Contact Email

Released: February 2007

Prepared By:



Zero Emission Vehicle Implementation Section
Mobile Source Control Division

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EXECUTIVE SUMMARY

Assembly Bill (AB) 1811 (Chapter 48, Statutes of 2006) authorized the creation of the Alternative Fuel Incentive Program (AFIP) and the appropriation of \$25 million in total funding to promote alternative fuel infrastructure and buses, PHEV vehicles, education and outreach, and vehicle incentives. Approximately \$1.5 million of the appropriation will be directed toward vehicle incentive grants. The grants of up to \$10 thousand will be made available to consumers who purchase or lease eligible zero emission vehicles (ZEVs), plug-in hybrid electric vehicles (PHEVs) and alternative fuel vehicles (AFVs) between July 1, 2006 and June 30, 2009. This report constitutes the California Air Resources Board (ARB or Board) guidelines for the implementation of the alternative fuel vehicle incentive program (AFVIP) within AFIP.

An ARB Program Manager will implement and administer the AFVIP. Duties will include developing application and outreach materials, communicating with customers via phone, fax, and email, reviewing and approving applications, allotting and auditing funds, and providing a quarterly report to the ARB Program Contact on AFVIP activities. The Program Manager will ensure that each consumer receives the maximum grant amount available at the time of purchase or lease.

This program provides grants up to \$10 thousand for the purchase or lease of new ZEVs, PHEVs and AFVs between July 1, 2006 and June 30, 2009. ZEVs capable of operation on freeways, also referred to as full-function battery electric vehicles (BEVs) or hydrogen fuel cell vehicles (FCEVs), are eligible for the full grant amount. PHEVs, AFVs, low speed electric vehicles (NEVs) and motorcycles are eligible for lesser amounts.

Eligible applicants include individuals, businesses, public agencies and entities, and private organizations. ARB retains the right to reserve, allocate and reallocate funds to any eligible grant recipient. The ARB will periodically review grant applicants and the award of grants to ensure, to the greatest extent possible, that all grant funds are used. The ARB may also reduce the grant amount or eliminate the grant if the applicant receives a grant from another component of AFIP.

Eligible applicants must accept the grant directly; the AFVIP does not provide applicants an option to assign their grant payment to a participating lessor. The grant shall be paid in a single allotment.

Eligible vehicles will be placed in one of several categories for the purpose of determining vehicle eligibility and the grant amount. The vehicle categories are: Full-Function ZEVs (FFZEVs), PHEVs, AFVs, City ZEVs (CEVs), Neighborhood ZEVs (NEVs), and Zero Emission Motorcycles (ZEMs). The ZEM category is subdivided into freeway-capable and non-freeway capable fully-enclosed, 3-wheel motorcycles and unenclosed 2-wheel motorcycles for purposes of establishing grant amounts.

Eligible vehicle models will be determined on a case-by-case basis. Vehicle eligibility criteria include certification by ARB as a New ZEV, PHEV, or AFV, compliance with all applicable Federal Motor Vehicle Safety Standards (FMVSS), and a minimum 36-month manufacturer warranty on the vehicle's alternative fuel delivery system or power train and battery pack. The proposed grant amounts range from \$500 up to \$10 thousand per vehicle. Grant amounts are based upon 36 months of vehicle operation and may be prorated for operating periods of less than 36 months or for instances where the vehicle spends a portion of the 36 months—not to exceed 24 months—outside the state of California.

A summary of the eligible vehicle categories and grant amounts is provided in Table I.

Table I: Summary of Alternative Fuel Incentive Program

Vehicle Category	Manufacturer Earns ZEV Regulatory Credit	Grant Amount
Full Function ZEV (BEV or FCEV)	Yes	Up to \$10,000
PHEV or City ZEV	Yes*	Up to \$5,000
AFV	Yes*	\$2,000
Neighborhood ZEV	Yes	\$1,000
Zero-Emission Motorcycle (ZEM)	No	Up to \$2,000

* Depending upon certification status

A.

B. Implementation Schedule

A potential implementation schedule is provided in Table II.

Table II: Proposed Implementation Schedule

A. Date or Time Period	Action Item
April 2007	Guidelines finalized
Current – June 30, 2009	Applications accepted
July 2007 – June 2009	Quarterly Status Report to ARB Program Contact

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1.0 INTRODUCTION

A number of recent state policy directives call for Californians to reduce their dependence on petroleum-based fuels and expand substantially their use and production of non-petroleum based alternative fuels. To support these policy directives, Assembly Bill (AB) 1811 (Chapter 48, Statutes of 2006) provided \$25 million to the California Air Resources Board (ARB or Board) and the California Energy Commission (CEC) to incentivize and fund:

- Market-based incentives for high efficiency, high mileage, alternative fuel light, medium, and heavy-duty vehicles, both individual and public fleets, in California.
- Production incentives for alternative fuel production in California;
- Market-based incentives for the construction of both publicly accessible alternative fuel retail refueling stations and fleet fueling facilities; including E85.
- Funding for research, development, and testing of alternative fuels and vehicle technology.
- Incentives to replace the current state vehicle fleet with clean, high mileage alternative fuel vehicles.

This report constitutes the California Air Resources Board (ARB or Board) guidelines for the implementation of the Alternative Fuel Vehicle Incentive Program (AFVIP) of the Alternative Fuel Incentive Program (AFIP). Zero emission vehicles (ZEVs), plug-in hybrid electric vehicles (PHEVs) and alternative fuel vehicles (AFVs) are an integral part of California's efforts to meet health-based air quality standards. These vehicles also present an opportunity to address two ancillary negative impacts of conventionally-fueled cars and small trucks – global climate change and energy dependence.

The purpose of this incentive program is to offset a portion of the incremental additional cost of advanced automotive technologies like ZEVs, PHEVs and AFVs so that the vehicle cost is comparable to that of a conventionally fueled vehicle. This in turn helps with commercialization of these technologies and supports a critical ramp-up in ZEV, PHEV and AFV production that is necessary to meeting our clean air goals. The program provides grants of up to \$10 thousand to qualified individuals, businesses, public agencies and entities, and non-profit organizations for the purchase or lease of an eligible PHEV or AFV between July 1, 2006 and June 30, 2009. The grants reduce the incremental cost of new PHEVs and AFVs. Up to ten percent of the program funds may be used for grant program administration.

This guideline document establishes the administrative process and both applicant and vehicle eligibility criteria. A timetable for implementation of the program is shown in Table 1 below. ARB and CEC are committed to a quick, successful implementation of the program.

Table 1: Proposed Implementation Schedule

B. Date or Time Period	Action Item
April 2007	Guidelines finalized
Current – March 31, 2009	Applications accepted
July 2007 – June 2009	Quarterly Status Report to ARB Program Contact

1.1 Background

Air quality in California has improved dramatically over the past 30 years, largely due to continued progress in controlling pollution from motor vehicles. Faced with ever more stringent regulations, vehicle manufacturers have made remarkable advances in vehicle technology. Thousands of zero- and partial zero emission vehicles are now in everyday service on California roads, and the latest conventional internal combustion engine vehicles achieve emission levels that seemed impossible just a few short years ago.

Despite this progress, however, air quality in many areas of the state still does not meet federal or state health-based ambient air quality standards. Mobile sources are still responsible for well over half of the ozone-forming emissions in California, and passenger cars and small trucks are responsible for a significant portion of the mobile source contribution. State and federal law requires the implementation of control strategies to attain ambient air quality standards as quickly as practicable.

The ARB has administered several vehicle "buy-down" incentive programs that are designed to work synergistically with these control strategies. The programs offset the incremental additional cost of advanced automotive technologies until production economies of scale bring the costs down to a competitive level.

Since 1996, the ARB, the local air districts, CEC, and the South Coast Air Basin Mobile Source Air Pollution Reduction Committee (MSRC) have administered several incentive programs, providing grants for electric, hybrid electric, and dedicated natural gas passenger cars and light-duty trucks. The grants ranged from \$1 thousand for hybrid electric vehicles to \$11 thousand for battery electric vehicles operating in fleets in environmental justice communities.

1.2 Air Resources Board Zero Emission Vehicle Program

In 1990, the ARB adopted the Zero Emission Vehicle (ZEV) program as part of the Low Emission Vehicle regulations. The ZEV program is an integral part of California's mobile source control efforts, and is intended to create a market for advanced technologies that will secure increasing air quality benefits for California now and into the future. ZEVs have significant long-term benefits because they have no emission control equipment that can deteriorate or fail, and they generate only minimal "upstream" refueling and fuel cycle emissions.

ZEVs also have the capability to provide comprehensive energy benefits. High-efficiency ZEVs result in significant reductions in emissions of carbon dioxide (CO₂) and other greenhouse gases. Vehicles powered by grid electricity and/or hydrogen will increase the diversity of California's fuel consumption and reduce our dependence on imported oil. In addition, electric drive vehicles have the potential to be powered by renewable sources of energy such as wind, hydropower, or solar energy.

Since 1990, the Board has reconvened several times to consider, and ultimately adopt, modifications to the originally proposed ZEV program. In its revised form, the ZEV program allows automakers a choice as to which technology to use to meet the requirements – battery electric or hydrogen fuel cell vehicles. It also provides for optional sales of partial zero emission vehicles (PZEVs)⁶ and advanced technology PZEVs (AT PZEVs)⁷ in lieu of a portion of the ZEV requirement. The revised regulation also includes an alternative path that allows a small number of early-deployment fast-refuel ZEVs (usually fuel cell vehicles) to substitute for larger numbers of other ZEV types.

ZEVs continue to be a substantial and important part of ARBs clean air strategy, and the lowered cost of PHEV batteries and drivetrain components resulting from a ramp-up in production appears likely to represent the bridge to ZEV commercialization. But PHEVs are also expected to be costly until manufacturing reaches economies of scale significant enough to bring battery prices down.

Concurrently, the CEC has been promoting alternative fuel vehicles through both regulation and incentives. The CEC's last incentive program sunsetted in 2004 after making grants available to both hybrid electric and alternative fuel vehicles.

AFVs are also important to our clean air strategy. While only modestly more costly than similar conventional vehicles, they can have higher infrastructure costs (for example, a home refueling station for a natural gas vehicle can cost a few thousand dollars).

1.3 Need for Incentives

Government incentives are one way to address the incremental additional vehicle and infrastructure cost associated with advanced vehicle technologies. Incentives are commonly used to promote the introduction of new technology that will benefit society. Because ZEVs, PHEVs and AFVs are relatively new technologies and are currently produced in limited quantities, they are more expensive than conventional vehicles. To enhance vehicle marketability in the near term and to assist in the transition to large volume production, it is vital to provide support, both monetary and non-monetary, in the form of vehicle and infrastructure incentives. Under AFVIP, these buy-down incentives

⁶ (a PZEV is a super ultra low emission vehicle (SULEV) with zero evaporative emissions and a ten year/150 thousand mile emission warranty)

⁷ (AT PZEVs advance zero emission technologies by incorporating advanced drivetrain components such as electric motors into PZEVs)

will be awarded to the consumer to reduce the capitalized cost of ZEVs, PHEVs and AFVs; this program does not provide for incentives to be transferred through to the lessor.

2.0 PROGRAM ADMINISTRATION

This chapter describes how the AFVIP will be administered. Specifically, this chapter outlines roles and responsibilities of the Program Manager and how the program will operate from the consumer's perspective, including how consumers will get information about the program, how they will apply for grants and how grants will be distributed.

2.1 Program Access

It is important that incentive program information be centrally available to the public and other interested parties. The ARB has an established website for disseminating this information (www.driveclean.ca.gov). The website was primarily established to provide easy and up-to-date information on the family of clean cars with special emphasis on zero emission vehicles, their availability, attributes, incentives and benefits. The website allows potential consumers to indicate the type of vehicle they are interested in purchasing or leasing and the city where they live; and then the consumer is given specific information on incentive grant eligibility and how to apply (grant applications and instructions may be downloaded from the website). It also contains information on other incentives provided by agencies like the CEC and local air districts.

Program information is also available through the Program Manager's toll-free information line, which will be provided at a later date. Operators of this information line will use the www.driveclean.ca.gov web site to provide information about available incentive programs; they will also direct callers to the appropriate staff person at the ARB, CEC, or local air district for non-AFVIP incentive programs.

2.2 Program Manager

The AFVIP will be administered by a third-party Program Manager selected through a request for grant proposal. The Program Manager will be responsible for administering the program in a manner consistent with these guidelines.

At a minimum, the Program Manager will:

- Review applications for eligibility
- Approve or disapprove grant applications
- Verify that all required information has been submitted prior to grant distribution
- Authorize grant distribution
- Track program status, including funding allocations
- Submit quarterly reports on program status to the ARB Executive Officer
- Recommend changes to the guidelines, as needed

- Prepare outreach and educational materials in consultation with ARB staff
- Provide information, upon request, to individuals or organizations that wish to appeal a grant denial to the Executive Officer
- Coordinate with ARB and vehicle dealers to assist buyers in receiving all other incentives that may apply to the vehicle (buy-down, infrastructure, HOV etc).

2.3 Overview: Grant Payment Process and Effective Dates

At any time, a potential consumer may access the www.driveclean.ca.gov web site or call the Program Manager to receive information on program eligibility. Both of these resources will be designed to assist consumers with their purchase or lease decisions. Information will be provided on the amount of total funding available, vehicle eligibility, and the maximum grant that is available for each qualified vehicle.

2.3.1 Payment of Grant to Vehicle Lessee/Owner

Consumers who purchase or lease (for a period of 36 months or more) an eligible ZEV, PHEV, or AFV may apply for direct payment of the grant. Grant payments will be distributed in a single allotment. Consumers will receive the grant payments directly from the Program Manager.

At any time following the purchase or lease transaction, an applicant may either download a grant application package from the www.driveclean.ca.gov website, or contact the Program Manager by telephone or email to request that the package be mailed to them. The applicant will submit the application to the Program Manager, along with the required supporting documentation of the purchase or lease, such as a copy of the sales or lease contract, along with an itemization of discounts, incentives and credits received, and appropriate proof of temporary or permanent vehicle registration. The Program Manager will issue a grant check to the owner or lessee once the application with the valid required documentation is received.

This program is retroactive to July 1, 2006. Applicants may submit a completed application and required documentation for eligible ZEVs, PHEVs, and AFVs purchased between July 1, 2006, and the date of program implementation to the Program Manager. In such cases, applicants do not need to obtain voucher numbers prior to submitting applications.

2.3.2 Assignment and Reversion of Grant Allotments

The intent of this program is to place ZEVs, PHEVs, and AFVs in the 2006-2009 timeframe and to reduce the cost of these vehicles over a 36-month period. With that said, the ARB realizes that some vehicles may be sold or returned to a dealer within the first 36 months after purchase or lease initiation. If a vehicle is resold, staff requires that grant awardees assign a prorated portion of their grant benefit, in an amount equivalent to the original grant amount divided by 36 months and then multiplied by the number of months remaining in the original 36 month period (rounded to the nearest month), to the

new owner or lessee of the vehicle. If the vehicle is returned to the dealer, the same prorated portion of the grant benefit should be directed to the Program Manager.

2.3.3 Appeal Process

If an applicant is denied a grant, the Program Manager will provide the applicant with the reason for the denial in writing. Any applicants who feel that they have been unfairly denied a grant may submit an appeal to the ARB Program Contact. Such an appeal must be submitted to the ARB Program Contact within 30 days of the date shown on the written denial letter. The appeal must be made in writing, and be signed by the applicant. Appeals made by e-mail, fax or phone will not be considered. A written response to the appeal will be provided by the ARB Program Contact within 60 days of receipt.

3.0 ELIGIBILITY CRITERIA

This chapter describes which applicants and vehicles are eligible for the grants provided by this program.

The program is authorized to provide grants to all entities purchasing or leasing an eligible ZEV, PHEV, or AFV. Applicants must meet the eligibility criteria specified in Section 3.1.

Section 3.2 specifies AFVIP eligibility criteria. Vehicles must meet all of the criteria to be considered eligible. ARB staff has created an Initial List of Eligible Vehicle Models based upon the eligibility criteria (see Appendix B) (the list is accessible from the AFVIP website: www.driveclean.ca.gov), and will update the list to reflect new additions as they become available. The vehicle manufacturer is responsible for providing the ARB with sufficient information to determine a vehicle's eligibility.

3.1 Criteria for Applicant Eligibility

The following applicants are eligible grant recipients:

- Individuals (i.e., retail or private customers/consumers),
- Federal, State, regional or local government entities or agencies,
- Nonprofit organizations,
- Private businesses, or
- Vehicle manufacturers demonstrating prototype ZEVs, PHEVs, or AFVs.

Applicants must be California residents and demonstrate through their applications that the vehicles:

- **Are registered.** The vehicle must meet DMV registration requirements and be registered with the DMV for use in California. Appropriate proof of temporary or permanent vehicle registration must be submitted with the grant application. A

copy of the Application for New Vehicle Registration submitted by the dealer to DMV is acceptable proof of temporary vehicle registration if submitted within one year of sale. Local, state and federal agencies and entities may submit other documents with the prior approval of the Program Manager.

- **Were leased or purchased within the grant eligibility window.** The vehicle must be purchased or leased on or after July 1, 2006, and on or before March 31, 2009. For the purposes of this program, the date of purchase shall be the day of sale. Typically, a sale is deemed completed and consummated when the purchaser of the vehicle has paid the purchase price, or, in lieu thereof, has signed a purchase contract or security agreement and taken physical possession or delivery of the vehicle. For purposes of this program, a vehicle shall be deemed to be leased on the date upon which the lease of the vehicle commences, which is typically-specified in a signed lease agreement.
 - If leased, the vehicle must be leased for a minimum term of 36 months. For a leased ZEV, the grant applicant shall be the person or entity that is financially responsible for registration of the vehicle. Vehicles leased or offered for lease for a minimum term less than 36 months are not eligible.

3.2 Criteria for Vehicle Eligibility

This section discusses the categories of vehicles eligible for grant funding under the AFVIP and the specific criteria that a vehicle model must meet to be considered eligible.

3.2.1 Vehicle Categories

There are three general categories of vehicles eligible for grant funding under the AFVIP. They are ZEVs, PHEVs, and AFVs.

ZEVs

The ZEV category is divided into Full Function Zero Emission Vehicles (FFZEVs), City Zero Emission Vehicles (CEVs) Neighborhood Zero Emission Vehicles (NEVs) and Zero Emission Motorcycles (ZEMs).

- **Full-Function Zero Emission Vehicle (Full Function ZEV or FFZEV)**
Vehicle models placed in the FFZEV category are typically zero emission passenger cars and light-duty trucks powered by batteries and/or a hydrogen fuel cell that are capable of operation on freeways. Specialty fleet versions based on passenger car or light-duty truck chassis will be considered FFZEVs. FFZEVs are subject to the same federal motor vehicle standards (FMVSS) as passenger cars or light-duty trucks. FFZEVs must be certified as Tier 2 or Tier 3 ZEVs. FFZEVs may be used in many typical passenger car and light-duty truck applications. Current and past FFZEV models include two-seat pickup trucks, two-seat coupes, sedans, sport utility vehicles and minivans. For a vehicle model that is not yet ARB-certified as a New ZEV, the OEM or its authorized licensee may apply to ARB for the necessary certification. It is ARB staff's

experience that the approval process typically takes approximately four weeks, provided a complete application with the results of applicable test procedures⁸ is submitted. Staff recommends that manufacturers of new vehicle models, in particular models not previously available for sale in California, contact the DMV Registration Operations Division to ensure that the vehicle model meets California registration and safety requirements.

- **City Zero Emission Vehicle (City ZEV or CEV) These vehicles are subject to the same eligibility criteria as FFZEVs**

Vehicle models placed in the CEV category may be similar to FFZEVs and may be suitable for many of the same applications. However, vehicle models that have manufacturer-imposed limitations or restrictions on their operation on freeways will be placed in the CEV category. CEVs are subject to the same FMVSS for passenger cars or light trucks. However, CEVs will typically be smaller in size, seat two passengers and have less range (miles that the vehicle can travel when starting with fully charged batteries) than FFZEVs. CEVs are typically equipped with smaller battery packs, which reduce the cost to produce the vehicles. City EVs typically have lower top speeds than FFZEVs. CEVs would be suitable for use as local commute vehicles in urban and city centers.

- **Neighborhood Zero Emission Vehicle (Neighborhood ZEV or NEV)**

Vehicles placed in the NEV category are zero emission low speed vehicles. Per California Vehicle Code (CVC) Section 385.5, a low speed vehicle is a motor vehicle, having four wheels on the ground and an unladen weight of 1.8 thousand pounds or less, that is capable of propelling itself at a minimum speed of 20 miles per hour and a maximum speed of 25 miles per hour on a paved level surface. NEVs may be legally operated on public streets with maximum speed limits of 35 mile per hour or lower. Therefore, NEVs are particularly suited for operation in residential neighborhoods, planned communities, campus environments, business parks, and, possibly, transportation centers. Low speed vehicles are not subject to FMVSS applicable to passenger cars and light trucks. Instead, low speed vehicles are subject to a single safety standard (Standard Number 500) that requires ten specific items of safety equipment.

- **Zero Emission Motorcycles (ZEMs)**

Fully-enclosed zero emission vehicles designed to travel on three wheels are motorcycles in the ZEM category. ZEMs are subject to the FMVSS applicable to motorcycles, which are less extensive than the FMVSS for passenger cars and light-duty trucks. Three-wheel motorcycles not fully enclosed may be considered ZEMs for the purposes of the AFVIP if they can perform the same transportation needs as FFZEVs and CEVs. ZEMs provide a person who commutes alone with a lower cost, zero emission transportation option.

⁸ The results of tests specified in, and in conformance with, "California Exhaust Emission Standards and Test Procedures for 2003 and Subsequent Model Zero-Emission Vehicles, and 2001 and Subsequent Model Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, Adopted August 5, 1999."

PHEVs

- **Plug-in hybrid electric vehicle (PHEV)**

Also known as Grid-connected HEV or GHEV, these hybrid electric vehicle models are placed in the PHEV category. PHEVs have a zero emission vehicle range capability, an on-board electrical energy storage device with a useful capacity equivalent to 10 or more miles of Urban Dynamometer Driving Schedule (UDDS) range on electricity alone, are equipped with an on-board charger, and are rechargeable from an external connection to an off-board electrical source.

AFVs

- **Alternative fuel vehicle (AFV)**

Vehicle models placed in the AFV category are also freeway capable, are required to meet numerous FMVSS, and have the same functionality as the typical passenger car or light-duty truck on the road. AFVs have an internal combustion engine with a dedicated fuel system that operate solely on a single alternative fuel. A list of alternate fuels is included in the Alternative Fuel definition in Appendix A.

To be eligible for AFVIP grants, vehicle models must be ARB certified as new ZEVs, PHEVs, or AFVs and must comply with all applicable FMVSS and State safety standards. A table summarizing the FMVSS for a number of vehicle categories is provided in Appendix D.

3.2.2 Eligible Vehicle Models

Vehicle models will be approved by ARB staff on a model year basis and placed on a List of Eligible Vehicle Models for AFVIP grants (Appendix B). Manufacturers of vehicle models not currently on the list should request in writing to the ARB Program Contact that their vehicle model be considered for addition to the list of eligible vehicle models. The written request should include a description of the vehicle model, the manufacturer's certification that the vehicle model meets all applicable State and Federal safety standards and be accompanied by copies of the vehicle operation and service manuals and applicable warranties.

Eligible vehicle models must meet the following criteria:

- **Be new.** The vehicle model has been certified by the ARB as a new ZEV, PHEV, or AFV. To be eligible, the vehicle shall be a new vehicle as defined in Section 430 of the California Vehicle Code.⁹ The Original Equipment

⁹ Per Section 430 of the California Vehicle Code, a "new vehicle" is a vehicle constructed entirely from new parts that have never been the subject of a retail sale, or registered with the department, or registered with the appropriate agency or authority of any other state, District of Columbia, territory or possession of the United States, or foreign State, province, or country.

Manufacturer (OEM) or its authorized licensee must manufacture the vehicle. Vehicles considered new vehicles solely for determination of compliance with state emissions standards pursuant to Health and Safety Code, Article 1.5, Prohibited Transactions, (Sections 43150-43156) and CVC Section 4000.2, Registration of Out-of-State Vehicles, are not eligible vehicles.

- If the vehicle is not new, has been re-leased, is the subject of a lease assumption or has been transferred into California after previously having been registered out-of-state, the vehicle is not eligible.
- **Be newly converted (this option is still under review).** Used vehicles converted within the grant eligibility window (see section 3.1) as part of a batch conversion by a certified converter or having received a certified conversion kit.
- **Be a specialty fleet version.** The eligibility of specialty fleet vehicle models based on an eligible passenger car or light- or medium-duty truck model will be determined on a case-by-case basis.
- **Be certified.** The manufacturer has certified that the vehicle model or conversion kit complies with all applicable Federal and State safety standards, including, in the case of vehicles, applicable FMVSS. The FMVSS are safety standards for new motor vehicles and new motor vehicle equipment issued by the National Highway Traffic Safety Administration (NHTSA). The FMVSS are found in Title 49 of the Code of Federal Regulations (CFR) Part 571. If a written statement and documentation have been previously provided to ARB in the course of applying for ARB approval/certification of the vehicle model, no additional written statement is required. In the case where vehicles of a particular vehicle model are to be utilized solely for a demonstration project, the written statement must include documentation that the applicable waivers for those vehicles have been received from NHTSA or that the manufacturer has submitted the appropriate applications or required notifications to NHTSA¹⁰.
 - Eligibility of imported vehicles with an exemption from applicable federal or state safety standards will be determined in a case-by-case basis.
- **Be capable of operation on the freeway.** For the purpose of this program, the ARB may request that a vehicle manufacturer provide a written statement on whether or not vehicles of a particular vehicle model are capable of operation on the freeway. Per California Vehicle Code (CVC) Section 22400 (Minimum Speed Law), no person shall drive upon a highway at such a slow speed as to impede or block the normal and reasonable movement of traffic. In order for a vehicle to be considered capable of operation on a freeway, it must be in compliance with CVC Section 22400. CEVs may be considered freeway capable assuming they are not subject to any of the circumstances listed below. A vehicle shall be presumed not capable of operation on the freeway if any one of the following circumstances apply:
 - The vehicle is a low-speed vehicle as defined by CVC Section 385.5;

¹⁰ The application or notification required by applicable FMVSS including Part 555 –Temporary Exemptions from Motor Vehicle Safety Standards (Effective 1-29-73) and Part 591- Importation of Vehicles and Equipment Subject to Federal Safety, Bumper and Theft Prevention Standards (Effective 3-28-90).

- The vehicle is prohibited by law from being operated on the freeway or is only capable of limited operation on the freeway;
- The manufacturer has required, or will require, the purchaser or lessee to sign an agreement that limits, or prevents, the operation of the vehicle on the freeway; or
- There is a written manufacturer's statement or recommendation (which can include the owner's manual for the vehicle) that the vehicle should not be operated on the freeway or should have limited operation on the freeway.
- **Have warranty provisions.** To be eligible, a vehicle, including the battery pack of ZEVs, must be covered by a manufacturer warranty for a minimum of 36 months. At a minimum, a full warranty shall be provided for the first 12 months of the coverage period. If the warranty for the remainder of the coverage period is prorated, the percentage of the battery pack's original value to be covered or refunded must be at least as high as the percentage of the prorated coverage period still remaining. For the purpose of this computation, the age of the battery pack must be expressed in intervals no larger than three months. For vehicle purchases and lease periods greater than 36 months, manufacturers are encouraged to provide or offer extended warranties. Prior to approving a vehicle model for addition to the List of Eligible Vehicles, the Program Manager may request that the manufacturer provide copies of representative vehicle and battery warranties and a description of the manufacturers' plans to provide warranty and routine vehicle service.
- Under the AFVIP, NEV manufacturers need not retire or forego ZEV regulatory credits earned from the production of a vehicle offered for sale in California and the placement of the vehicle into service. This differs from the previous ARB incentive programs which required the manufacturer to enter into an agreement with the ARB to retire or forego the ZEV regulatory credits earned by a specific vehicle model on a model year basis in order to make the NEV eligible for a grant.

4.0 INCENTIVE STRUCTURE AND ALLOCATION

This chapter describes staff's plan for distributing the grant, how the amount of the grant will be calculated, and allocating the grant funds.

4.1 Distribution of Vehicle Grants

The grant for an eligible vehicle will be distributed to the qualified recipient in a single allotment. The distribution of this grant allotment will be made as soon as possible, but no later than 60 days after receipt and verification of the documentation required for approval of the grant application.

4.2 Grant Calculation

The ARB will establish a maximum grant for each eligible vehicle model. The maximum grant shall be equal to “the maximum available grant”, up to \$10 thousand. The ARB will include the information on the maximum grant for each eligible vehicle model in its List of Eligible Vehicle Models (See Appendix B).

5.0 SUMMARY

In summary, the incentive program provided by AB 1811 is a positive step towards supporting California’s clean car goals. It provides grants to reduce the incremental cost of new ZEVs, PHEVs, and AFVs from 2006 to 2009. These vehicles will thus be more affordable for the general public, public agencies, and private fleets.

Incentive programs such as the one created by AB 1811 are essential to increase sales volumes and reduce the cost of advanced vehicle technologies. This program was intended to encourage manufacturers to increase the number of clean cars available.

However, AB 1811 alone will not achieve all of our goals. Other incentives such as access to high occupancy vehicle lanes, decreased vehicle license fees, and preferential parking are also valuable for making clean cars more attractive to consumers. In addition, continued support for the current incentive and infrastructure programs is encouraged.

Appendix A
List of Definitions

“Advanced Technology Partial Zero Emission Vehicle” (AT PZEV) means any PZEV with an allowance greater than 0.2 before application of the PZEV early introduction phase-in multiplier. AT PZEVs are 90% cleaner than the average new car and have near-zero evaporative emissions. They also incorporate alternative fuel, gas electric, or other advanced technology. AT PZEVs must have a 15 year/150,000 mile warranty on the emission control system.

“Alternative Fuel” means;

- Mixtures containing 85 percent or more by volume of alcohol fuel, including methanol and denatured ethanol
- Natural gas (compressed or liquefied)
- Liquefied petroleum gas (propane)
- Hydrogen
- Fuels derived from biological materials
- Electricity (including electricity from solar energy)
- 100 percent Biodiesel (B100) or Renewable Diesel meeting ASTM D-975.
- Blends of two or more alternative fuels, for example, natural gas and hydrogen

“Alternative Fuel Vehicle” (AFV) means a vehicle fueled exclusively by alternative fuels (must be 100 percent alternative fuel use)

“Battery Electric Vehicle” (BEV) means any vehicle that operates solely by use of a battery, or that is powered primarily through the use of an electric battery but uses a flywheel or capacitor that also stores energy to assist in vehicle operation.

“Hybrid Electric Vehicle” (HEV) means any vehicle that can draw propulsion energy from both of the following on-vehicle sources of stored energy: 1) consumable fuel, and 2) an energy storage device such as a battery, capacitor, or flywheel.

“Light-duty truck” means any 2000 and subsequent model motor vehicle certified to the standards in section 1961(a)(1), Title 13, California Code of Regulations (CCR), rated at 8.5 thousand pounds gross vehicle weight or less, and any other motor vehicle rated at 6 thousand pounds gross vehicle weight or less, which is designed primarily for purposes of transportation of property or is a derivative of such a vehicle, or is available with special features enabling off-street or off-highway operation and use.

“Medium-duty passenger vehicle” means any medium-duty vehicle with a gross vehicle weight rating of less than 10 thousand pounds that is designed primarily for the transportation of persons. The medium-duty passenger vehicle definition does not include any vehicle which: 1) is an “incomplete truck”, i.e., is a truck that does not have the primary load carrying device or container attached; or 2) has a seating capacity of more than 12 persons; or 3) is designed for more than nine persons in seating rearward of the driver’s seat; or 4) is equipped with an open cargo area of 72.0 inches in interior length or more. A covered box not readily accessible from the passenger compartment will be considered an open cargo area, for purposes of this definition.

“Medium-duty vehicle” means any heavy-duty low-emission, ultra-low-emission, super-ultra-low-emission or zero-emission vehicle certified to the standards in

Section 1961(a)(1) or 1962, Title 13, CCR, having a manufacturer's gross vehicle weight rating between 8,501 and 14,000 pounds.

“Neighborhood Electric Vehicle” (NEV) means a motor vehicle that meets the definition of “low-speed vehicle” either in section 385.5 of the Vehicle Code or in 49 CFR 571.500 (as it existed on July 1, 2000) and is certified to zero-emission vehicle standards

“Partial Zero Emission Vehicle” (PZEV) means any vehicle that is delivered for sale in California and that qualifies for a partial ZEV allowance of at least 0.2.

“Passenger car” means any motor vehicle designed primarily for transportation of persons and having a design capacity of twelve persons or less.

“Plug-in hybrid electric vehicle” (PHEV), (also known as a Grid-connected HEV or GHEV) means a hybrid electric vehicle which has:

- zero emission vehicle range capability,
- on-board electrical energy storage device with useful capacity equivalent to greater than or equal to ten miles of Urban Dynamometer Driving Schedule (UDDS) range on electricity alone,
- is equipped with an on-board charger, and is
- rechargeable from an external connection to an off-board electrical source.

Note: A light-duty PHEV must be ARB AT-PZEV certified.

“UDDS” means urban dynamometer driving schedule as set forth Appendix I of title 40, Code of Federal Regulations, Part 86.

Appendix B

List of Eligible Vehicle Models

An initial list of eligible vehicle models will be provided in the final guidelines document. The initial list and subsequent additions will be available from the <http://www.driveclean.ca.gov> website.

Appendix C

Sample Quarterly AFVIP Activity Reporting Form

Alternative Fuel Vehicle Incentive Program (AFVIP)
SAMPLE Activity Report:
January 1, 2007 through March 31, 2007

I.

Grant Requests¹			
Received	Approved	Disapproved	Pending

II.

Approved Grants by Vehicle Make and Model		
Model	Quantity	Grant Funding (\$)
Total vehicles		Total \$

III.

Individual	Business	Local/Public Agency

IV.

Status of ARB Funds	
Original/Reduced Appropriation:	\$1,350,000
Approved Grants:	
Pending Grant Applications:	
Remaining Funds:	(\$x,xxx,xxx)

Appendix D

Table of Federal Motor Vehicle Safety Standards

FEDERAL MOTOR VEHICLE SAFETY STANDARDS (FMVSS); APPLICABILITY								
49 CFR Part 571	Passenger Car	MPV Lt Truck (1)	Heavy	Bus	Motorcycle	Trailer	Equipment	Low-speed
FMVSS Number								
100 Series (Crash Avoidance)								
101 Controls and Displays	●	●	●	●				
102 Transmission Shift Lever Sequence	●	●	●	●				
103 Windshield Defrosting and Defogging Systems	●	●	●	●				
104 Windshield Wiping and Washing Systems	●	●	●	●				
105 Hydraulic and Electric Brake Systems	●	●	●	●				
106 Brake Hoses	●	●	●	●	●	●	●	
108 Lamps, Reflective Devices and Associated Equipment	●	●	●	●	●	●	●	
109 New Pneumatic Tires	(3)	(4)		(4)		(4)	●	
110 Tire Selection and Rims	●						●	
111 Rearview Mirrors	●	●	●	● (5)	●			
113 Hood Latch System	●	●	●	●				
114 Theft Prevention	●	●						
116 Hydraulic Brake Fluids	●	●	●	●	●	●	●	
117 Retreaded Pneumatic Tires (passenger cars)							●	
118 Power-Operated Window Systems	●	●						
119 New Pneumatic Tires for Trucks, Buses etc.		(4)	(4)	(4)	(4)	(4)	●	
120 Tire Selection and Rims for Trucks, Buses etc.		●	●	●	●	●	●	
121 Air Brake Systems			●	●		●		
122 Motorcycle Brake Systems					●			
123 Motorcycle Controls and Displays					●			
124 Accelerator Control Systems	●	●	●	●				
125 Warning Devices							●	
129 New Non-Pneumatic Tires for Passenger Cars	(3)	(4)					●	
131 School Bus Pedestrian Safety Devices				● (5)				
135 Passenger Car Brake Systems	●	● (6)						

49 CFR Part 571	Passenger Car	MPV Lt Truck (1)	Heavy	Bus	Motorcycle	Trailer	Equipment	Low-speed
FMVSS Number								
200 Series (Crash Worthiness)								
201 Occupant Protection in Interior Impact	●	●		● (1)				
202 Head Restraints	●	●		● (1)				
203 Impact Protection for Driver Steering Controls	●	●		● (1)				
204 Steering Control Rearward Displacement	●	●		●				
205 Glazing Materials	(7)	(7)	(7)	(7)	(7)		●	(7)
206 Door Locks and Retention Components	●	●	●					
207 Seating Systems	●	●	●	●				
208 Occupant Crash Protection	●	●	●	●				
209 Seat Belt Assemblies	(7)	(7)	(7)	(7)			●	
210 Seat Belt Assembly Anchorages	●	●	●	●				
212 Windshield Mounting	●	●		● (1)				
213 Child Restraint Systems	●	●		●			●	
214 Side Impact Protection	●	●		● (1)				
216 Roof Crush Resistance	●	● (8)		● (8,9)				
217 Bus Emergency Exits and Window Retention				●				
218 Motorcycle Helmets							●	
219 Windshield Zone Intrusion	●	●		● (1)				
220 School Bus Rollover Protection				● (5)				
221 School Bus Body Joint Strength				● (5)				
222 School Bus Seating and Crash Protection				● (5)				
223 Rear Impact Guards							●	
224 Rear Impact Protection						● (2)		
225 Child Restraint Anchorage Systems	●	● (10)		● (1)				

49 CFR Part 571	Passenger Car	MPV Lt Truck (1)	Heavy	Bus	Motorcycle	Trailer	Equipment	Low-speed
FMVSS Number								
300 Series (Post Crash Protection)								
301 Fuel System Integrity	●	●		● (5)				
302 Flammability of Interior Materials	●	●	●	●				
303 Fuel System Integrity of Compressed Natural Gas Vehicles	●	●		● (1,5)				
304 Compressed Natural Gas Fuel Container Integrity							●	
500 Series (Low-Speed Vehicles)								
500 Low-Speed Vehicles								●
(1) Gross Vehicle Weight Rating (GVWR) <i>less than or equal to 4,536 Kg (10,000 lb)</i> (2) GVWR <i>greater than 4,536 Kg (10,000 lb)</i> (3) <i>See FMVSS No. 110</i> (4) <i>See FMVSS No. 120</i> (5) Applies to or has different requirements for School Buses								
(6) GVWR <i>less than or equal to 3,500 Kg (7,716 lb)</i> (7) For use in (8) GVWR <i>less than or equal to 2,722 Kg (6,001 lb)</i> (9) Does not apply to School Buses (10) GVWR <i>less than or equal to 3,855 Kg (8,500 lb)</i>								

Passenger Car: Motor vehicle with motive power, except a low-speed vehicle, multipurpose passenger vehicle, motorcycle or trailer designed for carrying 10 persons or less.

Multipurpose Passenger Vehicle: Motor vehicle with motive power, except a low-speed vehicle or a trailer designed to carry 10 persons or less which is constructed either on a truck chassis or with special features for occasional off-road operation.

Truck: Motor vehicle with motive power, except a trailer, designed primarily for the transportation of property or special purpose equipment.

Bus: Motor vehicle with motive power, except a trailer, designed for carrying more than 10 persons.

School Bus: A bus that is sold, or introduced in interstate commerce, for purposes that include carrying students to and/or from school or related events, but does not include a bus designed and sold for operation as a common carrier in urban transportation.

Motorcycle: Motor vehicle with motive power, having a seat or saddle for use of the rider and designed to travel on not more than three wheels in contact with the ground.

Trailer: Motor vehicle with or without motive power, designed for carrying persons or property and for being drawn by another motor vehicle.

Motor Vehicle Equipment: Individual vehicle components or systems whether installed on a new vehicle or provided as a replacement or accessory that are subject to a FMVSS.

Low-Speed Vehicle: 4-wheeled motor vehicle, other than a truck, with a maximum speed greater than 20 and not more than 25 miles per hour.

Appendix E
SAMPLE AFVIP Grant Application



Alternative Fuel Vehicle Incentive Program (AFVIP) SAMPLE Grant Application

Obtain from ARB
Voucher Number:

N/A

Complete and Submit to:

Program Manager, Statewide Alternative Fuel Vehicle Incentive Program,
California Air Resources Board, MSCD/ZEV
P.O. Box 2815, Sacramento, California 95812

Toll Free Line: (866) 808-0189

A. APPLICANT INFORMATION *(Please print.)*

Name of Vehicle Owner/Lessee:

PURPOSE: Information contained in this form will be used by the Air Resources Board for determining grant eligibility, processing grant allocations, and to prepare Information Returns (Form 1099).

(See Privacy Statement in Requirements and Instructions)

Street Address:

City:

State:

Zip Code:

Mailing Address:

Telephone Number:

FAX Number:

E-mail Address (optional):

Please check one box below, as applicable, and provide the requested information:

- ☒ Private Individual, Sole Proprietor
☐ Federal Government Agency
☐ State Government Agency
☐ Local Government Agency
☐ Non-profit Organization
☐ Corporation
☐ Partnerships, Estates or Trusts

Social Security Number:

OR

Federal Employer's Identification Number:

B. VEHICLE INFORMATION (☐ Multiple vehicles-Form MSCD/ZEV-05B is attached. *Initial here:* _____)

Date of Purchase or Date on Which Lease Commences:

Lease Term in Months *(if applicable)*:

Make, Model and Model Year of ZEV:

Vehicle Identification Number (VIN):

Manufacturer/Lessor Contact *(Please print name and title.)*:

Telephone Number:

I hereby certify to the best of my knowledge and belief that the requirements for this grant as specified in H&SC 44260-44265 and the Air Resources Board's (ARB's) program guidelines have been met and that all information provided in this application and supporting attachments are true and correct.

Name of Applicant, or Authorized Representative and Title *(Please print.)*:

Signature:

Date:

FOR PROGRAM MANAGER USE ONLY:

Name and Title *(Please print.)*:

Date:

Approval Number

Signature:

Grant Amount:

Area Reserved

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

ATTACHMENT F

Consumer Education and Outreach

Mobile Source Control Division
California Air Resources Board
02/09/07

California Air Resources Board
Alternative Fuel Incentive Program (AFIP)
Consumer Education and Outreach

February 9, 2007

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INTRODUCTION

The mission of the California Air Resources Board (ARB or Board) is to promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State. Chapter 48, Statutes of 2006 (Assembly Bill 1811) authorized the California Air Resources Board (ARB) to expend \$25 million (twenty-five million dollars) in the 2006/2007 budget year to incentivize the use and production of alternative fuels. The Board is requesting Alternative Fuel Incentive Program (AFIP) grant proposals from applicants for the fiscal year 2006/2007. All funds must be encumbered by June 30, 2007.

The focus of this grant application packet is to solicit outreach and education proposals in two categories to educate Californians about advanced technologies and alternative fuel vehicles and fuels to increase the purchase and use of these vehicles by more Californians. Proposals are requested from qualified teams or individuals including marketing firms, universities, government and non-governmental organizations, air districts, educational facilities, and other organizations interested in working toward increased use of clean vehicles in California.

BACKGROUND

In order to determine the best approach to reaching California consumers, the ARB conducted focus groups around the State in late 2006. The research was conducted to determine consumer understanding and attitudes towards advanced technology and alternative fuel vehicles, such as hydrogen fuel cell vehicles, electric vehicles, hybrids, plug-in hybrids, ethanol/E85 vehicles, biodiesel, compressed natural gas and partial zero emission vehicles (PZEVs). Results of the research brought to light several themes among consumers:

1. Today, the main characteristics consumers weigh in their vehicle purchase decision include fuel economy, purchase price, maintenance and reliability, safety, performance and personal or family needs.
2. Californians are generally unfamiliar with most advanced technologies and alternative fuel vehicles, or have misperceptions about the vehicles and their capabilities, believing them to be small and lacking in power and style.
3. Consumers agree that advanced technologies are better for the environment, but tend to be skeptical that vehicle emissions are a substantial problem.
4. While consumers are generally favorable in concept toward cleaner vehicles, few of them believe their own vehicle choice makes a difference.
5. Very few Californians factor into their car purchase decision the impact of a vehicle on the environment.

6. Most Californians consider clean vehicles to be an option for their family ONLY if these vehicles are proven to be equal to or better than traditional gasoline vehicles in all aspects.
7. Consumers have little trust in new, “untested” technologies, but they tend to trust those they consider to be their peers with personal experience for vehicle validation.

ELIGIBILITY

Two types of projects will be awarded funding. All applicants must meet the minimum qualifications stated in this section.

1. Marketing Campaigns

Minimum Qualifications: Professional communications firms that are registered to do business in the State of California may apply. Marketing firms must possess significant active experience in outreach and communications such as developing and implementing a cohesive campaign to educate, inform and promote a product, service or behavior, and oversight of web site development. The Project Manager proposed must have at least ten years experience in marketing/communications and have experience managing successful mass marketing campaigns geared toward the broad California public.

2. New or Existing Educational Programs

Minimum Qualifications: Universities, governmental agencies, non-governmental and certified non-profit organizations, air districts, educational facilities, and other organizations certified in California, having existing communications efforts in place that support the goals of the ARB are eligible. Applicants are invited to apply for augmented funding for existing programs, or for funding that will support a new educational/outreach effort. Applicants are encouraged to provide matching funds. Matching funds are not required, but will be weighted in the scoring of proposals.

ELIGIBLE PROJECTS/SCOPE OF WORK

The ARB’s motor vehicle emission standards require manufacturers to sell cleaner vehicles in California. Making advanced technology and alternative fuel vehicles available, however, is only part of the equation in getting cleaner cars on the road. It will take mass public acceptance and utilization of these clean technologies to make significant impacts on air quality, energy security and reductions in global warming emissions. In order to achieve these results, the ARB is seeking to: 1) contract with one qualified marketing firm to develop and implement a consumer education campaign and tackle barriers to public acceptance of advanced technology vehicles, and 2) provide funding for new or existing educational programs that work toward ARB’s goals.

1. MARKETING CAMPAIGN

Funding: \$700 thousand over two years. Granted to one marketing firm.

A. Explanation of Needs

Marketing firms are invited to submit proposals outlining how their firm would approach the campaign ARB is requesting within the budget stated. The ultimate goal of this campaign is to increase the number of advanced technology and alternative fuel vehicles on the road. The marketing firm selected will be responsible for creating and promoting compelling messages in a way that will appeal to the broad demographic of California car buyers. Information that should be conveyed to the public include:

- a. Information about the wide range of advanced technology and alternative fuel vehicles – their availability, and how they compare and compete with traditional vehicles.
- b. The link between personal vehicle choice and air quality, climate change and dependence on foreign oil.

B. Critical Activities

As part of the overall marketing plan to be developed, the ARB has established a list of activities that staff believes are important. These activities will need to be included in the overall cost estimate as they will require recommendations and assistance from the contractor:

- a. *Design and Promote the Clean Air Label.* Assembly Bill 1229 requires the ARB to redesign the Smog Index label to include information about both smog forming and global warming emissions. This label will be affixed to the window of every vehicle sold in California by 2009. This is an opportunity to create a consumer friendly label that is visible at the site of purchase and gives car buyers tools to “choose” a cleaner vehicle. Please note that ARB staff may be modifying an existing label so actual design may be minimal.
- b. *Expand and Promote www.DriveClean.ca.gov.* ARB’s consumer-based web site for car buyers will be a main component of the campaign, and will need to be adjusted to include the following (additional suggestions are welcome):
 - Automate the way auto manufacturers update the site with new and upcoming vehicles.
 - Include text and video testimonials.
 - Include a rating system.
 - Include educational area for children and auto dealers.
 - Include a database and organizational structure to include every vehicle sold in California.
 - Include information about the new clean air label.

- c. *Design DMV Inserts.* The State has the opportunity to include promotional inserts in DMV vehicle registration mailouts for no cost. The ARB believes this would be an inexpensive way to reach the broad California demographic.
- d. *Set up a System for Technology Demonstrations.* Focus group research showed that getting more people in the driver's seat of advanced technology vehicles will go a long way in generating acceptance. The ARB would like to coordinate with local Air Quality Districts and auto dealerships in California to determine the most cost and resource-effective ways to get more Californians personally exposed to advanced technology vehicles available on the market.
- e. *Update existing CalEPA display.* Update the display in the CalEPA building (that resides in the lobby, but is also a mobile display) to provide more current and compelling information to consumers about the environment. Estimated production costs are \$1.5 thousand.
- f. *Explore participation in Los Angeles Auto Show.* Explore the possibility of having a presence at the LA Auto Show, either in the lobby or elsewhere, where an interactive clean car exhibit can be seen by the mass public.

C. Additional Suggestions

The ARB will look to the expertise and recommendations of the marketing firm chosen to determine the most effective methods for communicating to the mass public. As *possible activities* that might be considered, however, the following are suggested:

- a. Billboards – in regions that are trend leaders
- b. Partnerships with car buyer web sites (Cars.com, Edmunds.com, etc.) to include environmental considerations as part of the comparison criteria for vehicles
- c. Print advertisements in women and family magazines, car enthusiast publications, etc.
- d. Partnering with sporting events and race tracks to demonstrate the capabilities of advanced technology vehicles (e.g., power, size, performance) where skeptics might be more likely to be exposed to them

For background information on clean vehicle programs ARB currently has in place that relate to this solicitation, refer to the following ARB websites:

- CA Hydrogen Highway Network: <http://www.HydrogenHighway.ca.gov>
- Zero Emission Vehicle (ZEV) Program: <http://www.arb.ca.gov/zev>
- Consumer web site for clean vehicles: <http://www.DriveClean.ca.gov>

2. EDUCATIONAL PROGRAMS

Funding: \$500 thousand – over a maximum of two years. Divided among all selected programs.

A. Explanation of Needs

The ARB would like to contribute funding to programs within California that work toward increasing public acceptance and knowledge of advanced technology and alternative fuel vehicles. To support such programs, the ARB is soliciting proposals from universities, government and non-governmental organizations, air districts, educational facilities, and other qualifying organizations that need augmented funding for existing communications programs, or start-up funding for new educational programs being planned.

The ARB is most interested in supporting programs that have matching funds available, however, these funds are not required.

AVAILABLE FUNDING

The total funding available through this solicitation for advanced technology and alternative fuel vehicle marketing and education is \$1.2 million. It is anticipated that this allocated amount will be distributed as grants within this category. However, should an insufficient number of quality proposals be received, monies may be shifted to other grant categories. Not all monies may be awarded. In no event will the total grant amount exceed \$25 million.

Funding is estimated to be broken down as follows:

\$700 thousand	Marketing firm grant to develop a new public education campaign.
\$500 thousand	Distributed among selected entities to augment proposed new, or existing educational campaigns.

APPLICATION REQUIREMENTS

All projects shall meet the specific requirements of this solicitation. Applicants must meet these criteria and fully complete the project application to be considered for project funding. Additional information may be requested during the application review process if needed.

APPLICATION PROCESS

This application packet is to be completed by applicants and contains the forms and guidelines for submitting complete proposals for funding. The decisions regarding

eligible applicants and proposals that are ultimately funded will be the sole discretion of the Air Resources Board. Grant applications must be complete and meet all of the requirements set forth in this application packet.

Two signed original copies and one CD of the proposals, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, CA 95812 **no later than 5:00 PM, March 12, 2007.**

Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812

Hand Deliveries

(UPS, Express Mail, Federal Express)

Ms. Kathy Leuterio

Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, CA 95814

Postmark dates will not suffice to meet the stated deadlines.

No application documents may be submitted by fax or email.

Timelines

Public Release of Solicitation	February 9, 2007
Application Deadline	March 12, 2007 5:00 PM
Review/Rating of Proposals	
Grantees Selected	April 12, 2007
Public Posting Notice	
Award Notification	
Deadline for Encumbrance of Funds	June 30, 2007

Format Requirements

The ARB strongly encourages applicants submitting proposals to be accurate, brief and clear in the presentation of their proposal/ideas.

EVALUATION AND SCORING

The ARB will evaluate each qualifying project based on the merits of the grant proposal. The maximum score is 100 points. Qualifying projects within each category will be considered for funding.

A multi-agency state team will review, evaluate, and make recommendations on the provided grant proposals. The multi-agency state team is comprised of the Air Resources Board (ARB), California Energy Commission (CEC), California Department of Food and Agriculture (CDFA), Department of Forestry and Fire Protection (CDF), Integrated Waste Management Board (IWMB) and Water Resources Control Board (WRCB).

1. SCORING FOR MARKETING CAMPAIGNS

Marketing proposals will be scored as follows:

A. Project Cost (maximum of 30 points)

In the application provided, applicants will clearly state costs for each item included in their proposed campaign plan. Costs will include all estimated labor, material and product fees associated with each item in the proposed plan. For items with many variables, applicants will provide cost ranges for various likely scenarios. Total funds allocated for a marketing campaign is estimated at \$700 thousand. Scoring will be weighted as follows:

Proposal Characteristics	Points Earned
Costs are unclear, not inclusive of all potential fees, and/or the total costs seem too high for the level and quality of work to be performed.	0 – 7 points
Costs are represented clearly and are inclusive of all potential fees, but seem too high for the level and quality of work to be performed.	8 – 15 points
Costs are represented clearly, are inclusive of all potential fees, and are appropriate for the level and quality of work to be performed.	16 – 30 points

B. Communications Plan (maximum of 40 points)

Proposals will be evaluated based upon the ability of the firm's proposed communications plan to adhere to the Scope of Work and meet ARB's goals. Scoring will be weighted as follows:

Proposal Characteristics	Points Earned
Communications plan is unclear and/or incomplete, lacks creatively, and/or does not provide the highest impact for the funding provided.	0 – 10 points
Communications plan is complete, provides high impact recommendations, and considers the budget.	11 – 25 points
Communications plan is well organized, tailors recommendations creatively and appropriately to ARB's needs and goals, and recommends high-impact activities that maximize the budget.	26 – 40 points

C. Applicable Experience (maximum of 30 points)

Proposals will be evaluated based upon the experience applicable to the Scope of Work. Scoring will be weighted as follows:

Proposal Characteristics	Points Earned
Applicant meets the minimum qualifications, but lacks in experience applicable to the Scope of Work.	0 – 7 points
Applicant demonstrates qualifications to carry out the Scope of Work.	8 – 15 points
Applicant demonstrates extensive and/or strong experience directly applicable to the type of campaign requested in this solicitation.	16 – 30 points

2. SCORING FOR EDUCATIONAL PROGRAMS

Proposals requesting funding for existing or proposed new education programs will be scored as follows:

A. Project Costs (maximum of 30 points)

Applicants will clearly state the amount of funding they are requesting and the basis for this request. Total funds allocated for educational programs are estimated at \$500 thousand.

Proposal Characteristics	Points Earned
Costs are unclear, not inclusive of all potential fees, and/or the total costs seem too high for the level and quality of work to be performed.	0 – 3 points
Costs are represented clearly, but seem too high for the level and quality of work to be performed.	4 – 10 points
Costs are represented clearly, are inclusive of all potential fees, and are appropriate for the level and quality of work to be performed.	11 – 20 points
*Bonus Credit: Organization will be contributing other funding to the program.	1 – 10 points

B. Project Plan (maximum of 40 points)

Proposals will be evaluated based upon the level that their proposed outreach/education plan contributes to ARB's goals. Scoring will be weighted as follows:

Proposal Characteristics	Points Earned
Outreach/education plan is unclear and/or incomplete, lacks creatively, and/or does not provide the highest impact for the funding provided.	0 – 10 points

Outreach/education plan is complete, provides creative and high impact recommendations, and considers the budget.	11 – 25 points
Outreach/education plan is well organized, creative, maximizes the budget with high-impact activities, and strongly supports ARB's goals.	26 – 40 points

C. Ability to Carry Out Campaign (maximum of 30 points)

Proposals will be evaluated based upon the ability of the organization to successfully carryout the proposed outreach/education campaign. Scoring will be weighted as follows:

Proposal Characteristics	Points Earned
Applicant meets the minimum qualifications, but lacks demonstrated ability to carry out the proposed outreach effort.	0 – 10 points
Applicant demonstrates qualifications to carry out proposed outreach activities.	11 – 20 points
Applicant demonstrates strong experience and ability to carry out the outreach activities proposed.	21 – 30 points

MONITORING AND REPORTING REQUIREMENTS

Awardees must submit quarterly reports to ARB that contain the following information:

- e. Overview of activities that took place in the previous quarter.
- f. Summary of the impact of activities to date, including any data that has been provided as feedback from campaign efforts.
- g. Summary of funds spent to date.
- h. Notice of any expected increase in costs, and justifications for those increases.
- i. Activities planned in the next quarter.

The ARB reserves the right to inspect all funded projects with a minimum of 48-hour notice for the life of the project contract.

DISBURSEMENT OF FUNDS

Total funds for the Education and Outreach portion of this solicitation are \$1.2 million and must be paid out by March 31, 2009.

\$700 thousand will be allocated to a marketing firm over the period of two years. Marketing funds will be paid to the marketing firm over time as tasks are deemed completed by the ARB.

Up to \$500 thousand will be allocated to selected organizations with existing or planned outreach/education programs. Funds will be paid over an agreed upon time period not greater than two years as tasks are deemed completed by the ARB.

CONTACT PERSONS

Please contact Kathy Leuterio or Katrina Sideco for information relating to this grant. Questions and correspondence should be directed to:

Kathy Leuterio
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 322-1731
STTB@arb.ca.gov

Katrina Sideco
Air Resources Board
Stationary Source Division
P.O. Box 2815
Sacramento, CA 95812
Phone: (916) 323-1082
[STTB @arb.ca.gov](mailto:STTB@arb.ca.gov)

REQUIRED ELEMENTS

1. Marketing Firm Proposals

Marketing firms must include the following items in their response to this solicitation:

A. Completed application form

Applicants must complete the application forms found in this section. The information submitted should include applicant information, estimated timeline for deliverables, estimated costs, and information on all staff, subcontractors and partners proposed to work on the campaign.

B. Communications campaign proposal

Marketing firms must provide specific recommendations of activities that the firm would (with the information available within this solicitation) consider as part of the communications plan, and a short description of why the activity would be recommended. These recommendations should be developed in two parts:

- a. Activities recommended within the budget of \$700 thousand (Overall costs should include the list of activities the ARB has requested to be a part of the campaign), and
- b. Additional activities that could be carried out if a larger budget were available.

C. Qualifications and References

Proposals should include summaries of prior similar campaigns the firm has developed that demonstrate the firm's experience and ability to carry out a communications campaign tailored to the general public. References should be provided for each of the campaigns listed.

2. Education Proposals

Proposals for funding to support existing or new outreach programs should include the following items in their response to this solicitation:

- A.** A completed application form. The form will require applicant information and a summary of costs.
- B.** A detailed description and background of the program being proposed.
- C.** A description of the program's goals, and the need it is fulfilling.
- D.** A summary of the audiences the program is (or would be) geared toward, and the number of people exposed on an annual basis.
- E.** An analysis of the program's effectiveness to date, or a description of the potential effectiveness of the proposed program.
- F.** A statement of the amount of funding requested through this solicitation and what the funding would specifically be used for.
- G.** A statement of how much funding the organization plans to contribute (partial or match funding), if any.
- H.** A summary of experience and qualifications doing similar work.

APPENDIX A
Application Form

MARKETING PROPOSALS APPLICATION FORM

Please print clearly or type all information on this application. Completed application forms should be attached to each proposal.

A. Applicant Information

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification (if applicable).

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. DELIVERABLES/TIMELINE

Please list all deliverables that were included in the firm's marketing recommendations to the ARB, and provide an estimated timeframe.

[illegible]

If more room is needed, this form may be copied or recreated.

C. ESTIMATED COST OF PROJECT – Within \$700 Thousand

Costs will include all estimated labor, material, product and any other fees associated with each item in the proposed plan. For items with many variables, applicants will provide cost ranges for various likely scenarios. Total funds allocated for a marketing campaign is estimated at \$700 thousand.

[illegible]

If more room is needed, this form may be copied or recreated.

D. ESTIMATED COST OF ADDITIONAL ACTIVITIES IF A LARGER BUDGET WERE AVAILABLE.

Costs will include all estimated labor, material, product and any other fees associated with each item in the proposed plan. For items with many variables, applicants will provide cost ranges for various likely scenarios. This section includes ideas for additional activities if the budget were larger than \$700 thousand.

[illegible]

If more room is needed, this form may be copied or recreated.

E. STAFF INFORMATION

Include information for each staff member who is expected to work on the campaign.
Attach resumes.

Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties for this campaign:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties for this campaign:	
Name:	Hourly rate:
Phone:	E-mail:
Title:	
Expected duties for this campaign:	

If more room is needed, this form may be copied or recreated.

F. SUBCONTRACTOR AND PARTNER INFORMATION

Proponents may partner with other entities. Responsibility for deliverables lies with the primary proponent. Provide the names and information for any and all subcontractors and partners. Attach resumes and letters of commitment.

Name:	Hourly rate:
Phone:	E-mail:
Organization/Title:	
Expected duties for this campaign:	
Name:	Hourly rate:
Phone:	E-mail:
Organization/Title:	
Expected duties for this campaign:	
Name:	Hourly rate:
Phone:	E-mail:
Organization/Title:	
Expected duties for this campaign:	

If more room is needed, this form may be copied or recreated.

EDUCATIONAL PROPOSALS APPLICATION FORM
Please print clearly or type all information on this application.

A. APPLICANT INFORMATION

1. Company Name/Organization Name/Individual Name:		
2. Business Type:		
3. Contact Name and Title:		
4. Person with Contract Signing Authority (if different from above):		
5. Business Mailing Address and Contact Information:		
Street:		
City:	State:	Zip Code:
Phone: ()		Fax: ()
E-mail:		

I hereby certify that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

Third Party Certification (if applicable).

I have completed the application, in whole or in part, on behalf of the applicant.

Printed Name of Third Party:	Title:
Signature of Third Party:	Date:
Amount Being Paid for Application Completion in Whole or Part:	Source of Funding to Third Party:

B. COST SUMMARY

Please list all expected tasks and estimate a cost for each. Tasks must add up to the total funding requested at the bottom.

TASK	ESTIMATED COST
TOTAL FUNDS REQUESTED	\$

If more room is needed, this form may be copied or recreated.

PROJECT CHECKLIST

MARKETING PROPOSALS

1. Completed application forms:
 - a. Application
 - b. Deliverables/Timeline
 - c. Estimated cost of project within \$700 thousand
 - d. Estimated cost of additional activities if a larger budget were available
 - e. Staff Information
 - f. Subcontractor and partner information
2. Communications campaign proposal:
 - a. Activity recommendations for a budget of \$700 thousand
 - b. Additional activity recommendations if a larger budget were available
3. Summaries of similar campaigns demonstrating qualifications, and references for those campaigns.
4. Resumes for all staff, partners and/or subcontractors.
5. Letters of commitment from partners and/or subcontractors.

EDUCATIONAL PROPOSALS

1. Completed application forms:
 - a. Application
 - b. Cost summary
2. A detailed description and background of the program being proposed.
3. A description of the program's goals, and the need it is fulfilling.
4. A summary of the audiences the program is (or would be) geared toward, and the number of people exposed on an annual basis.
5. An analysis of the program's effectiveness to date, or a description of the potential effectiveness of the proposed program.
6. A statement of the amount of funding requested through this solicitation and what the funding would specifically be used for.
7. A statement of how much funding the organization plans to contribute (partial or match funding), if any, with letters of commitment.
8. A summary of experience and qualifications doing similar work.

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

APPENDIX

**Sample Grant Summary and
Authorization Form**

California Air Resources Board
02/09/07

Grant Summary and Authorization Form
Alternative Fuel Incentive Program (AFIP) (Pursuant to AB1811)
Fiscal Year 2007-08

Project Title: _____

Grant Recipient Name: _____

Authorized Official: _____

AFIP Award: \$ _____

Title: _____

Total Project Cost: \$ _____

Address: _____

Time Period: xx/xx/07 – xx/xx/xx

Phone# _____

Grant Number: AFIP _____

The undersigned parties agree to the terms and conditions as set forth in this grant. The following documents are attached and incorporated as part of this grant and take precedence in the following order:

Exhibit A: Grant Provisions

Exhibit B: Work Statement incorporating the following attachments:

	Page
Budget Summary (Attachment A).....	8
Project Milestones (Attachment B)	9
Project Schedule (Attachment C)	10
Key Project Personnel (Attachment D).....	11
Grant Disbursement Request (Attachment E)	12
Grantee's Application Package (Attachment F)	13
Grantee's Budget Proposal (Attachment G).....	14
Progress Report Form (Attachment H).....	15
 Exhibit C AFIP Solicitation.....	 17
Exhibit D Guidelines for Final AFIP Reports.....	18

The undersigned parties agree to comply with the requirements and conditions contained herein. The undersigned parties certify under the penalty of perjury that they are duly authorized to bind the parties to this grant.

California Air Resources Board:

Grant Recipient:

Signature of Authorized Official

Signature of Authorized Official

Name: Marie Lavergne

Name: _____

Title: Chief, Administrative Services Division

Title: _____

Date: _____

Date: _____

EXHIBIT A

Alternative Fuel Incentive Program Grant

Air Resources Board
Mobile Source Control & Stationary Source Divisions

GRANT PROVISIONS

1. GRANT PARTIES AND CONTACT INFORMATION

- 1.1 This grant is from the California Air Resources Board (herein after referred to as ARB) to (insert company name here).
- 1.2 The ARB Grant Administrators are Ms. Kathy Leuterio & Ms. Katrina Sideco. All administrative correspondence regarding this grant shall be directed to:
Ms. Kathy Leuterio
Mobile Source Control Division
Or Ms. Katrina Sideco
Stationary Source Division
Air Resources Board
P.O. Box 2815
Sacramento, California 95812
Phone: (916) 323-8966
Email: kleuteri@arb.ca.gov
- 1.3 The ARB grant manager is (name here). All technical correspondence regarding this project shall be directed to:
(name here)
Air Resources Board
Mobile Source or Stationary Source Division
P.O. Box 2815
Sacramento, California 95812
Phone: (916) xxx-xxxx
E-mail: (add address)

2. TIME PERIOD

- 2.1 Performance of work or other expenses billable to ARB under this grant may commence after June 30, 2007. However, this grant will not be considered valid, and expenses will not be payable, unless and until the grant is fully executed by ARB. The grant period shall end no later than June 30, 2009.

3. FINANCIAL MATTERS

Budget

- 3.1 The maximum amount of this grant is \$xxxx. Under no circumstance will ARB reimburse the grantee for more than this amount.
- 3.2 The budget for this project is shown in Exhibit B, Attachment A. Except as stated in 3.3, the cumulative grant disbursement for any line (cost) item for the entire project shall not exceed the corresponding figure therein under "AFIP Grant".
- 3.3 The total AFIP funding may be reallocated among cost items or tasks only with the prior approval of the ARB grant manager. The ARB will not unreasonably disapprove budget reallocations provided that they will allow the project to meet its stated goals.

Grant Disbursements

- 3.4 Requests for payment shall be made with the form "Grant Disbursement Request" (Exhibit B, Attachment E) and conform to the instructions therein. Grant payments shall be made only for reasonable costs incurred by the grantee and only when the milestones stipulated in Exhibit B, Attachment B, have been accomplished, documentation of accomplishment has been provided to ARB, and any associated deliverables have been provided to ARB. Payments shall not be made more frequently than monthly.
- 3.5 Grant payments are subject to ARB's approval of progress reports and any accompanying deliverables. (See Part 5 below.) A payment will not be made if the ARB grant manager deems that a milestone has not been accomplished or documented, that a deliverable meeting specifications has not been provided, that claimed expenses are not documented, not valid per the budget, or not reasonable, that the grantee has not met other terms of the grant.

The Chief of the Mobile Source Control and Stationary Source Divisions of ARB may review the grant manager's approval or disapproval of a grant disbursement. No reimbursement will be made for expenses that, in the judgment of the Division Chief of the Mobile Source Control or Stationary Source Division, are not reasonable or do not comply with the grant.

- 3.6 The grantee shall mail grant disbursement requests shall be mailed to the grant administrator.
- 3.7 The ARB will withhold payment equal to ten percent of each grant disbursement until completion of all work, submittal to ARB of the final report (including an electronic file in MS Word). It is the grantee's responsibility to submit a grant disbursement request for the withheld ten percent with the final report.

Audits

- 3.8 The ARB reserves the right to audit at any time during the duration of this grant the grantee's costs of performing the grant and to refuse payment of any reimbursable costs or expenses that in the opinion of the State's auditor are unsubstantiated or unverified. The grantee shall cooperate with the State's auditor, including but not limited to promptly providing all information and documents requested by the auditor, such as all financial records, documents, and other information pertaining to reimbursable costs, and any matching costs and expenses.
- 3.9 The grantee shall retain all financial records referred to above and provide them for examination and audit by the State for three years after final payment under this grant.

4. GRANT MONITORING

Meetings

- 4.1 Initial meeting: A meeting will be held between key project personnel and ARB staff, either at ARB offices in Sacramento or at the project site (at the option of the grant manager), before work on the project begins. The purpose of the first meeting will be to discuss the overall plan, details of performing the tasks, the project schedule, and any issues that may need to be resolved.

Review meetings: At least one review meeting will be held in Sacramento during the project. More may be required by the grant manager. Such meetings may be conducted by phone, if deemed appropriate by the grant manager.

Technical Monitoring

- 4.2 Any significant changes in the scope or schedule for the project shall require the prior written approval of the ARB grant manager and administrator.
- 4.3 The grantee shall notify the ARB grant manager and administrator, in writing, immediately if any circumstances arise (technical, economic, or otherwise), which might place completion of the project in jeopardy. The grantee shall also make such notification if there is a change in key project personnel (see Exhibit B, Attachment D).
- 4.4 In addition to progress reports (discussed in section 5), the grantee shall provide information requested by the grant manager that is needed to assess progress in completing tasks and meeting the objectives of the project.

5. REPORTING REQUIREMENTS

Progress Reports

- 5.1 The grantee shall submit written progress reports at a minimum of three-month intervals. The progress reports shall be provided in the format of Exhibit B, Attachment H.
- 5.2 Every grant disbursement request (Exhibit B, Attachment E) shall be accompanied (or preceded) by a progress report that documents the completion of a milestone specified in Ex. B, Att. B], including any special deliverables defined for that milestone.
- 5.3 If the project is behind schedule, the progress report must contain an explanation of reasons and how the grantee plans to resume the schedule.
- 5.4 The grantee shall e-mail the progress reports to the grant manager and the grant administrator. Progress reports that accompany grant disbursement requests shall also be mailed (postal) to the grant administrator.

Final Project Report

- 5.5 When the project is complete, the grantee shall submit a draft final report as described in "Guidelines for Final AFIP Reports", (Exhibit D). Upon approval of the draft final report by the grant manager, the grantee shall provide a written copy of the final version, plus an electronic file.

6. TERMINATION AND SUSPENSION OF PAYMENTS

- 6.1 The ARB reserves the right to terminate this grant upon thirty days written notice to the grantee, if the ARB determines that the project has not progressed satisfactorily during the previous three months and the grantee and ARB have been unable to agree on modifications. In case of early termination, the grantee will submit a grant disbursement request and a progress report covering activities up to, and including, the termination date, following the requirements in Sections 3 and 5 of these Provisions. Upon receipt of the grant disbursement request and progress report, a final payment will be made to the grantee. This payment shall be for all ARB-approved, actually incurred costs that in the opinion of ARB are justified. However, the total amount paid shall not exceed the total grant amount.
- 6.2 The ARB reserves the right to issue a grant suspension order in the event that a dispute should arise. The grant suspension order will be in effect until the dispute has been resolved or the grant has been terminated. If the grantee chooses to continue work on the project after receiving a grant suspension order, the grantee will not be reimbursed for any expenditures incurred during the suspension in the event ARB terminates the grant. If ARB rescinds the suspension order and does not

terminate the grant, ARB will reimburse the grantee for any expenses incurred during the suspension that are reimbursable in accordance with the terms of the grant.

7. DISPUTES

- 7.0 If, for any reason, a dispute arises during the performance of this grant, and the grantee and the ARB grant manager cannot reach a mutual agreement, the dispute will be referred to the ARB Division Chief (Mobile or Stationary Source) for final and binding resolution. The terms and conditions of this grant shall be interpreted in accordance with the laws of the State of California.

8. INTELLECTUAL PROPERTY

- 8.0 The State agrees to relinquish to the grantee all right, title, and interest in and to each patentable product, technology, developed or produced during performance of this grant. Proprietary data owned by the grantee shall remain with grantee throughout the term of this agreement and thereafter. The extent of ARB's access to the same and testimony available regarding the same shall be limited to that reasonably necessary to demonstrate, in a scientific manner to the satisfaction of the scientific persons, the validity of any premise, postulate or conclusion referred to or expressed in any deliverable hereunder.

9. INDEMNITY CLAUSE

- 9.0 The grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this grant, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the grantee in performance of this grant.

EXHIBIT B, Attachment A

Budget Summary

Grantee: (Company name here)

Grant No.: 07-xx

Project: (title of project here)

C. Costs & Funding

Direct Costs	AFIP Grant	All Other Sources	Total
1. Labor	0	0	0
2. Fringe Benefits		0	0
3. Subcontractors and Consultants	0	0	0
4. Equipment	0	0	0
5. Travel and Subsistence	0	0	0
6. Materials & Supplies	0	0	0
7. Other Direct	0	0	0
Subtotal, Direct Costs:	0	0	0
Indirect Costs			
5. Overhead	0	0	0
9. Other Indirect	0	0	
Subtotal, Indirect Costs:	0	0	0
Total	0*	0	0

* not adjustable under any circumstance

Budget by Task

	Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Project
Direct -- AFIP-funded	0	0	0	0			0
Direct -- non-AFIP-funded	0	0	0	0			0
Indirect -- AFIP-funded	0	0	0	0	0	0	0
Indirect -- non-AFIP-funded	0	0	0	0			0
TOTAL	0	0	0	0			0

EXHIBIT B, Attachment B

Project Milestones

Grantee: (company name here)

Grant No.: 07-xx

Project Title: (title of project here)

Milestone	Task	Deliverable (in addition to quarterly progress reports)	Duration
1	1		x months
2	2		x months
3	3		x months
4	4	Final report	date

EXHIBIT B, Attachment C

D. Grantee's Project Schedule (Tasks)

<u>Task #</u>	<u>Task Content</u>	<u>Scheduled Completion Date</u> <u>(weeks after project start)</u>
1		x
2		x
3		x
4	Final Report	x
		x

EXHIBIT B, Attachment D

Key Project Personnel

Name	Position	Duties

EXHIBIT B, Attachment E

Grant Disbursement Request and Expenditures Summary

Grant No.:

Project Title:

Period covered:

Task # (or "summary"):

Please submit a separate form for each project task (defined in Exhibit B, Attachment C) that had expenses during the period, plus a summary form for total expenses in the period.

All expenses to be paid by AFIP must be assigned to a budget line item for which AFIP funds are allowed per Exhibit B, Attachment A (Budget Summary). Attach an itemization of labor charges, showing the numbers of hours spent by each professional member of the grantee's staff or in-kind partner's staff (regardless of the funding source). Provide invoices from subcontractors and identification of goods and services from in-kind supporters.

Direct Costs	Expenses Charged to ICAT	Grantee's Expenses	Others' Expenses *	Total
1. Labor				
2. Benefits				
3. Subcontractors and Consultants				
4. Equipment				
5. Travel and Subsistence				
6. Materials & Supplies				
7. Other Direct				
Subtotal, Direct Costs:				
Indirect Costs				
8. Overhead				
9. Other indirect				
Subtotal, Indirect Costs:				
Total				

* in-kind contributions and expenses paid by funding partners

I certify that, to the best of my knowledge and belief, the information contained in the attached progress report, including the accounting of expenditures on the project as summarized above, is correct and complete and is in accordance with the grant. In addition, I hereby authorize the California Air Resources Board to make any inquiries to confirm details in the progress report.

Grantee's Signature

Date

EXHIBIT B, Attachment F

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

Grantee's Application Package

California Air Resources Board
02/09/07

**Alternative Fuel Incentive Program (AFIP) (Pursuant to AB1811)
Fiscal Year 2007-08**

EXHIBIT B, Attachment G

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

Grantee's Budget Report Form

California Air Resources Board
02/09/07

**Alternative Fuel Incentive Program (AFIP) (Pursuant to AB1811)
Fiscal Year 2007-08**

EXHIBIT B, Attachment H

Progress Report Form
(date)

Grant No.: Title:

Organization:

Report period:

List (by number) of all tasks that are complete:

Statement of work planned for this report period (copied from preceding report):

Work accomplished in this period (organized by task). For completed tasks, compare results to goals:

For any planned work or scheduled milestone that did not occur:

-- Reasons for non-occurrence:

-- Will the problem persist?:

-- Can the work be accomplished in the next work period?

-- Will the nature of milestones or the overall project schedule be affected? (Propose a new schedule, if needed.):

Please summarize any changes made during the period in the work plan, budget, or schedule:

Please describe any other current or foreseeable problems and their possible mitigation:

Work planned for the next reporting period (by task):

Please update these tables:

Project Definition

Task ¹	Description
1	
2	
3	
4	
(add rows)	

Milestones

Item	Due Date

Progress vs. Plan

Task ¹	Planned ¹			Current Status			
	Completion date	AFIP labor budget (\$)	Total AFIP budget (\$)	(3)	On schedule?	Labor billed to AFIP ² (\$)	AFIP invoices ² (total \$)
1							
2							
3							
(add rows)							

¹ as defined in the grant or subsequent agreement

² *cumulative*; since inception of grant

³ Enter one: "not started", "in progress", or "completed"

2. Please add a narrative as needed to present accomplishments and findings of note.

EXHIBIT C

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

**Appropriate Solicitation for the Applicable
Project/Category**

California Air Resources Board
02/09/07

**Alternative Fuel Incentive Program (AFIP) (Pursuant to AB1811)
Fiscal Year 2007-08**

EXHIBIT D

**2007 GRANT PROPOSAL SOLICITATION
Alternative Fuel Incentive Program (AFIP)**

Guidelines for Final AFIP Reports

California Air Resources Board
02/09/07

**Alternative Fuel Incentive Program (AFIP) (Pursuant to AB1811)
Fiscal Year 2007-08**

GUIDELINES FOR FINAL AFIP REPORTS

- Format.* If all components of the final report are in a single Microsoft Word file or PDF file, the report may be delivered to ARB on an electronic medium. Otherwise, there should be one unbound, single-sided copy for photo-copying.
- Font.* Any commonly used font is acceptable if it is at least as large as Arial 12.
- Binding.* The final report may be either spiral bound or stapled.
- Cover.* The ARB will provide a standard cover.
- Title.* The title should duplicate the title of the grant unless a change is approved by the ARB's grant manager.
- Page size.* 8 1/2" x 11"
- Large tables & figures.* Do not include foldouts or highly reduced tables or figures. Large tables and figures should be presented on consecutive 8 1/2" x 11" pages, each page containing one portion of the table or graph
- Color.* Black on white, only.
- Sections.* The final report should contain the following sections, in this order:
Title page
Disclaimer
Acknowledgments
Table of Contents
List of Figures (if the figure count exceeds 5)
List of Tables (if the table count exceeds 5)
Abstract
[body of report]
Appendices
- Title page.* The title page should include the grant number, grant title, grantee, date, and this statement: "Conducted under a grant by the California Air Resources Board of the California Environmental Protection Agency".
- Disclaimer.* (may be placed at the bottom of the title page)
"The statements and conclusions in this report are those of the grantee and not necessarily those of the California Air Resources Board. The mention of commercial products, their source, or their use in connection with material reported herein is not to be construed as actual or implied endorsement of such products."
- Acknowledgments.*

The last paragraph of this section should read as follows:

This report was submitted under Alternative Fuel Incentive Program grant number ____ from the California Air Resources Board.

Abstract. The abstract should state the purpose and scope of the project, describe the work performed, and present the results obtained. The length should not exceed 1/3 page.

The body of the report should contain the following sections:

INTRODUCTION:

This should be a very short section stating that the report is the final element of the AFIP grant to perform the particular project to demonstrate or develop the particular technology.

TECHNOLOGY:

Describe it and its expected role in emission control. Describe its performance as it was known before the AFIP project and as it has been demonstrated in the project.

AFIP PROJECT:

Describe the purposes for the project, the original plan, and what actually was accomplished. Compare accomplishments to goals. Discuss results that relate to the aspects of the technology that were emphasized in the original AFIP application.

STATUS OF THE TECHNOLOGY:

Describe the commercial readiness of the technology and the role of the project in advancing the status.

Appendices Use as needed to amplify and support the body of the report.

The ARB will not regard the final report as a confidential document. Do not include proprietary information.