

**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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## **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.

<b>Proposal Characteristics</b>	<b>Points Earned</b>
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.	<b>0 – 10 points</b>
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.	<b>11 – 20 points</b>
Costs are represented clearly, are inclusive of all potential fees, and are appropriate for the level and quality of work to be performed.	<b>21 – 30 points</b>

**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.

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

**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.

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

**Plan (maximum 20 points)**

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

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

## **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](mailto: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:





**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.

IN-KIND SUPPORT AND MATCHING FUNDS

*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

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