

**Air Quality Improvement Program (AQIP)  
Advanced Technology Demonstration Project:  
Hybridization of an Existing Marine Vessel  
Applicant Workshop April 29, 2010**

**Stakeholder Questions and Air Resources Board (ARB) Staff Responses**

**Clarifying Questions on the Solicitation**

**If the ARB funded the proposed project with the full \$1 million is the grantee's matching funds \$500K or \$1 million?**

In the above example the total project budget would be a minimum of \$2,000,000 and therefore the match requirement from the Grantee/Technology Demonstrator would be a minimum of \$1,000,000.

**If the grantee's matching funds are \$1 million would the 10% cash requirement be \$100K or \$200K?**

In the above example the total proposed project budget would be a minimum of \$2,000,000 and therefore the minimum amount required to meet the cash requirement would be \$200,000.

**Can the cash portion of the grantee's matching funds be used for any part of the project budget or are there limitations as with the 40% in-kind contribution?**

There are no specific requirements on what the 10% cash requirement can or cannot be spent on within the scope of the proposed project. However, there are limitations on the amount of funds that can be devoted to project administration.

**Is this grant targeting the repower of a specific type of marine vessel, such as those boats that work in the ports and harbors of California, or would the electrification of one or more recreational and or fishing boats be viewed just as favorably?**

There is not a specific type of vessel targeted by this solicitation, any marine vessels would be considered eligible for retrofit.

**Is there any preference for the minimum or maximum size and or horsepower of the boat that is converted?**

No preference will be given to a vessel with a specific size or horsepower; however, cost effectiveness is a major component of the scoring criteria and that may exclude some types of vessels due to horsepower ratings or fuel type.

**Can the funds be used to convert more than one vessel to demonstrate the technology across more than one application?**

Yes, more than one vessel can be retrofitted with a hybrid system as part of a proposed application.

**Who gets to keep the vessel(s) that are converted at the end of the project?**

The State will not acquire ownership of any vessel converted with funds awarded from this solicitation.

**As the technology demonstration partner and the source of the technology, will we be able to maintain exclusive rights to all Intellectual Property developed with the project funds?**

The state will not maintain any ownership of intellectual property developed as part of a project funded with this solicitation.

**Please provide clarification on the scope, duration and frequency for emissions testing as this will have a bearing on total cost of project?**

The scope, duration and frequency for emission testing will be solely up to the applicant. However, any emission testing needs to be reproducible and the emission testing protocol will be subject to ARB approval and will be defined in the grant agreement before any funds are dispersed.

**What amount is allowed in the solicitation for project administration?**

Project administration is limited to a maximum of 10% from the AQIP contribution and a maximum of 10% of the grantee's and technology demonstrator's contribution, giving a maximum administration cost of 10% of the entire proposed project budget.

**How do the grant funds move from the ARB to the winning project?**

Post grant award, up to 10% of the AQIP demonstration project funds may be disbursed to the grantee once a Grant Disbursement Request has been submitted to ARB and approved. Additional grant disbursements will be made as appropriate predetermined project milestones have been reached and a Grant Disbursement request has been submitted to ARB. It is the responsibility of the Grantee to disburse grant funds to the Technology demonstrator as appropriate.

## **Clarifying Questions on the Application**

**Since I need to partner with an air district or other public agency who at the air district should I contact?**

ARB does not maintain a list of contacts at the air districts that are handling AQIP demonstration project issues. However, there is a comprehensive list of California Air Districts that can be found at:

<http://www.arb.ca.gov/capcoa/roster.htm> questions to the air district should be directed at air district staff with responsibility for the air districts incentive programs.

**Given that we will be the technology demonstration partner, is there a list of pre-approved California public entities that would be considered acceptable as grantees for us to work with?**

No, the ARB does not maintain a list of pre-approved potential grantees.

**Our submission would be for a full solar-electric boat (there would be no fossil fuels used at all). Depending on the frequency of usage of the boat it would need to be charged from dock power. Do we need to calculate the environmental output for the use of that electricity?**

Without making a determination on the eligibility of this specific project, one would need to consider the emissions generated for the electricity used to charge the vessel from any source.

**In our cost effectiveness calculations, can we include boats that would operate in California's inland waterways and lakes or just ocean going vessels?**

The solicitation does not specify which types of marine vessels are eligible.

**For in-kind contribution, is in-house project engineering management considered administrative cost or can it be listed separately?**

For the purpose of this solicitation, management cost will be considered as an administration cost.

**During the time the grant-funded vessel is retrofitted with the hybrid technology, can the cost of the second vessel that will be put into service in the first vessels place count as part of the in-kind contribution?**

No, the vessel that is be used to replace a vessel pulled from service to be converted with a hybrid system is not an eligible in-kind contribution.

**Can items purchased before the submission of the application be included in the in-kind contribution?**

Yes, items purchased before the submission of the application can be included as part of the in-kind contribution as long as the items are used in the demonstration and a reasonable cost is associated with their use in the proposed project.

**If a vessel was purchased before the submission of the application can the cost of the vessel be included as an in-kind contribution?**

Yes, a portion of the cost associated with the use of a vessel in the demonstration project can be included as an eligible cost, however, that vessel cost should be reasonable and justifiable.

**In performing the cost effectiveness calculation, as required in the solicitation, should the cost effectiveness be based on the total summation of all potential reductions if the proposed technology was adopted across many vessel types?**

If the potential emission reductions can be applied to different vessel types an estimation of the cost effectiveness of those emission reductions would help to demonstrate the potential for market penetration and commercialization.

**If an engine is ARB certified can the emission factors from the ARB certification be used in the cost effectiveness calculation?**

Yes, emission factors from ARB certified engines and United States Environmental Protection Agency marine engine certification can be used as part of the cost effectiveness calculation.

**Does the air district or public agency submit the application and where is the address that applications should be submitted?**

The air district or public agency will submit the application to the ARB. The application needs to be mailed to the address listed on page 7 of the solicitation by the due date.

**Does the Project Narrative also include the Work Plan in its ten-page limitation?**

No, the Work Plan can be considered separate from the Project Narrative in regards to the ten-page limitation.

### **What should be included in the work plan?**

The work plan should detail each specific task that is required to complete the demonstration project and the timing of each task that lead to the on-time completion of the demonstration project. The work plan should be in a format that shows a logical sequence of tasks with project deliverables easily identifiable.

### **Eligible Project Questions**

**Is a solar-electric solution going to be viewed as favorably as a hybrid approach or has this grant been written specifically with a preference for hybrid boat designs?**

The proposal is for the demonstration of a hybrid retrofit on an existing marine vessel. Hybrid systems typically involve a mixture of power sources such as diesel fueled engine and electrical storage and release systems working in concert.

### **Questions about the Grantee**

**What is the air districts role as the grantee in a proposed project?**

The roles of the air district or other public agency include submission of the demonstration project application, administration of the project, oversight of the technology demonstrator, reporting to ARB on status and grant performance and submission Grant Disbursement Requests to the ARB.