SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

July 27, 2011

QUESTIONS AND RESPONSES FROM JULY 21, 2011 TECHNOLOGY ADVANCEMENT PROGRAM WORKSHOP

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SUMMARY OF QUESTIONS AND RESPONSES FROM JULY 21, 2011 TECHNOLOGY ADVANCEMENT PROGRAM WORKSHOP

1. **QUESTION:** With the funding expected to be available in February, when would a proposed technology need to be commercially available?

RESPONSE: Ideally, projects would be up and running within one year of funding. However, projects requiring additional time may still be considered depending on project viability.

2. **QUESTION:** How will projects that take place in the San Joaquin Valley Air Pollution Control District (District) be judged against those that take place outside of the District?

RESPONSE: The District would prefer projects to be conducted within the District. The first Technology Advancement Program (TAP) Request for Proposal (RFP) required that projects take place in the District. However, this RFP provides more flexibility for site location. However, Each proposal will be evaluated on a case by case basis.

3. **QUESTION:** Are you anticipating funding a certain number of projects for each focus area, or will all of the proposals be judged together?

RESPONSE: The focus areas were included to provide a guide for the types of projects that the District is looking to fund. The proposals will all be judged together.

4. **QUESTION:** Could the District provide resources to help quantify greenhouse gas and criteria pollutant emission reductions from renewable energy projects? Preferably in pounds per kilowatt.

RESPONSE: The District is working to gather these resources and provide them as quickly as possible.

6. **QUESTION:** Can the District provide source category specific emissions information?

RESPONSE: The California Air Resources Board (ARB) maintains a source-specific emission inventory for every District in California. Available here: http://www.arb.ca.gov/ei/maps/statemap/dismap.htm

If more detailed information is needed, please contact the District to set up an official information request.

7. **QUESTION:** Are there any restrictions on what funds are specifically allocated on (hours, equipment, etc)? Also, what happens to equipment when the agreement expires?

RESPONSE: The RFP is flexible on both topics. There is no restriction on how the funds may be spent, or what happens to equipment after the contract expires. However, it is important that these details are explained in detail in the proposal.

8. **QUESTION:** Would a project be graded more favorable if it reduced emissions of several pollutants, not just NOx?

RESPONSE: The additional emission benefits qualify under the co-benefits and cost effectiveness evaluation criteria, and would likely score better than a similar project that did not achieve additional reductions.

9. **QUESTION:** Will a project funded by TAP have special permitting requirements?

RESPONSE: The District is dedicated to technology advancement and staff will work closely with selected contractors to secure appropriate permits as expeditiously as possible.

10. **QUESTION:** Does the RFP list the six projects that were selected in the first round of TAP funding?

RESPONSE: They are not listed in the RFP, but they are detailed in the December 2010 Governing Board item available here: http://valleyair.org/Board_meetings/GB/agenda_minutes/Agenda/2010/December/Agenda_Item_10_Dec_16_2010.pdf

11. **QUESTION:** If a project involved using multiple sites, should a separate proposal be prepared for each site?

RESPONSE: Multiple sites can be included in one proposal as long as the technology is the same at each site.

12. **QUESTION:** Can overhead be included in the budget of the project?

RESPONSE: You may include overhead or an indirect cost rate, but please indicate the source of the rate and whether or not it is EPA approved.

13. **QUESTION:** Is there a maximum amount of funding that a single project may receive?

RESPONSE: There is not a maximum in this round of funding.

14. **QUESTION:** If a project involves multiple locations, can the proposal include options for more or less sites?

RESPONSE: Yes, projects may be scalable.

15. **QUESTION:** Please explain how projects will be evaluated for the criteria "Additional Funding Required and Resource Leveraging". Also, are private funds considered leveraged resources?

RESPONSE: Projects that have more funding in place will score higher than projects that require large amounts of new funding. Private funds are acceptable for this evaluation criterion.

16. **QUESTION:** What types of vehicle retrofit projects could be funded?

RESPONSE: Mobile retrofit projects should demonstrate an unverified technology. The technology must not be approved by ARB or EPA at the time of submittal. The project must also reduce emissions from the mobile source above and beyond any current federal, state, or local rule or regulation.

17. **QUESTION:** The RFP does not mention stationary engines as a focus area. Is this a source that would be applicable for TAP funding?

RESPONSE: Stationary engines in the District are already heavily regulated, but the District would be interested in technology that could lower emissions and/or increase efficiency from these engines.

18. **QUESTION:** Will credit be given for using sub-contractors that are based in the San Joaquin Valley?

RESPONSE: While the Valley businesses will appreciate the support, hiring local sub-contractors is not currently a component of the evaluation criteria.

19. **QUESTION:** Is there a NOx target, in terms of parts per million, for stationary units operating on dairy bio-gas?

RESPONSE: For this RFP there are not specific emissions targets. However, each project will be evaluated on its ability to reduce criteria pollutants and greenhouse gasses to as low of levels as possible.

20. **QUESTION:** Is it possible to put together a proposal with a budget profile that allows for payment when certain project milestones are reached?

RESPONSE: Yes, several of the projects currently being funded by the TAP were developed with project and funding milestones.

21. **QUESTION:** How will a project that has cost savings be evaluated in terms of cost effectiveness?

RESPONSE: It is important to incorporate all cost benefits and dis-benefits into the cost-effectiveness of a project. So, technology that saves money, through increased efficiency or lowered energy consumption, could be more cost effective.

22. **QUESTION:** Would a contract with the District be considered a cooperative agreement, and if so what kind of assistance or interaction should one expect from the Air District? Would it be acceptable to request that the District conduct emissions and laboratory testing?

RESPONSE: Yes, the TAP funding is considered a cooperative agreement. District staff works closely with potential contractors to establish guidelines and schedules for projects. The District is also available to provide assistance throughout the life of the project. Proposals that request certain types of cooperative assistance will be considered, however the District may not have the necessary resources available.

23. **QUESTION:** Can the District provide resources or direct assistance to aid in calculating emission reductions during the development of specific proposals?

RESPONSE: It will be difficult for the District to provide much up-front assistance, but staff will review the calculations in each proposal and revise them as needed.

As discussed in question #4, the District is looking to provide resources as quickly as possible.

24. **QUESTION:** Is there a template that can be used for the budget section of the proposal?

RESPONSE: There is not a standardized budget form included in the RFP. The budget should be as complete as possible, but the format is flexible.

25. **QUESTION:** Would reductions from stationary sources like engines and process heaters in oil fields be considered for this funding?

RESPONSE: Although these stationary sources already implement Best Available Control Technology, the District would support any technology that achieved additional emission reductions.

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26. **QUESTION:** The Valley is non-attainment for both Ozone and PM2.5. Why is NOx the main focus of this RFP? Isn't particulate matter just as important?

RESPONSE: NOx reductions are the most effective because they are a precursor for both Ozone and PM. However, the District also requires direct PM2.5, SOx and VOC emission reductions to attain the National Ambient Air Quality Standards.

27. **QUESTION:** If a project achieves emission reductions from several pollutants (NOx, SOx, VOC, PM, etc.) should the cost effectiveness be calculated per pollutant, or as an aggregate?

RESPONSE: It would be useful to have cost effectiveness values per pollutant as well as an overall value.

28. **QUESTION:** Certain technologies would be eligible for tax credits. Should these credits be included in the cost effectiveness calculations?

RESPONSE: Future co-benefits like tax credits should be noted in the proposal. However, since these funds are not currently secured, they should be left out of cost effectiveness calculations.