

SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

REQUEST FOR PROPOSALS

EMISSION REDUCTION TECHNOLOGY ADVANCEMENT DEMONSTRATIONS

The San Joaquin Valley Air Pollution Control District (District) is seeking proposals for projects to demonstrate new and innovative emission reduction technologies that have the potential for broad applicability in the San Joaquin Valley to assist the District in meeting its air quality goals.

Submittal: Three (3) hard copies and one (1) electronic copy of each proposal must be received at the address below on or before:

Friday, July 9, 2010 – 5:00 PM

PROPOSALS RECEIVED AFTER THE TIME AND DATE STATED ABOVE WILL NOT BE ACCEPTED.

Address to: Kevin M. Wing
Air Quality Specialist
San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, CA 93726-0244

Issuance Date: June 3, 2010

RFP Number: TAP10-01

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1.0 Background

This Request for Proposals (RFP) is being issued to select contractors who propose projects meeting requirements of this request to demonstrate innovative, and creative new emission reduction technologies. The contractors must possess, and document within the proposal, the substantial expertise required to conduct a demonstration project with the proposed technology within the required time period. Proposals must be submitted in the required format and must comply with specified budget constraints to be considered.

The challenges faced by the San Joaquin Valley (Valley) with respect to air quality are unmatched by any other region in the State. The Valley's topography, climate, geography and the presence of two major transportation corridors connecting northern and southern California all contribute to the region's difficulty in achieving compliance with the health based standards for particulate matter and ozone.

Despite major reductions in emissions and corresponding improvements in air quality, San Joaquin Valley continues to face difficult challenges in meeting the federal ambient air quality standards. As an "extreme" non-attainment area for ozone, the District's 2007 Ozone Plan contains a "black box" that represents necessary reductions in emissions for which a technology has not yet been identified. The United States Environmental Protection Agency (EPA) is in the process of promulgating tougher ambient air quality standards to provide further protection for health which will require even more reduction of emissions. The District believes that it may be virtually impossible for the San Joaquin Valley to attain the new standards for ozone and particulates without significant advancements in low-emission technologies for mobile and stationary sources.

This primary goal of this RFP is to advance technology and accelerate the deployment of innovative clean air technologies that can bring about emission reductions as rapidly as practicable. To address both the ozone and PM_{2.5} needs, which are largely driven by NO_x emissions, this RFP places a particular focus on NO_x emissions reduction technologies. However, to enhance efficiency and funding opportunities, projects with co-benefits for reduction of other criteria pollutant emissions and greenhouse gases are encouraged.

2.0 Contact Person

Technical questions regarding this RFP should be addressed to:

Kevin M. Wing, Air Quality Specialist
San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-5800, FAX (559) 230-6112

3.0 Schedule of Events

June 3, 2010	Release of RFP
July 9, 2010	RFP Closes (No Later than 5:00 PM)
August 6, 2010	Review and Selection of Approved Projects

4.0 Award Information

4.1 Objective

The District is requesting proposals for projects that demonstrate bold, innovative, and creative new emission reduction technologies. In order to be selected for funding, projects must be at a stage of technological development where they will be capable of being put into operation for the demonstration project within one (1) year of execution of the grant agreement. Additional schedule requirements are defined in later sections of this RFP. Projects funded under this RFP must occur in the boundaries of the District; although for mobile projects this requirement is modified to allow some outside of District activity (demonstration must occur within the District boundaries for at least 75% of project operation miles and hours).

For this funding allocation the District is seeking technologies from the following technology areas:

Focus Area I: Renewable Energy—Projects that overcome the barriers to utilizing renewable energy, such as remote solar energy/storage, vehicle-to-grid, wind energy, or peak shaving systems.

Focus Area II: Waste to Energy—Waste to energy systems or technologies to minimize or eliminate criteria pollutants and greenhouse gas emissions from existing waste to energy systems, including waste to fuel systems (such as dairy digesters and other bio-fuel applications).

Focus Area III: Mobile Sources—retrofit technologies for reducing particulate and/or NO_x emissions from heavy-duty trucks, clean alternative fuels, vehicle hybridization, and efficiency improvements to on-road or off-road equipment.

4.2 Available Funding

The total estimated funding available under this RFP is approximately \$900,000. The District anticipates awarding a total of approximately three to six cooperative agreements ranging from \$100,000 to \$300,000 per project, subject to the availability of funds and the quality of proposals received.

The District reserves the right to make additional awards under this announcement if additional funding becomes available after the original selections. In addition, the District reserves the right to reject all proposals and make no awards under this announcement or to make fewer awards than anticipated.

4.3 Funding Type

The funding for selected projects will be in the form of a cooperative agreement. Cooperative agreements permit substantial involvement between the District and the selected applicants in the performance of the work supported. The District and Contractor will negotiate precise terms and conditions of the agreement.

4.4 Partial Funding

In appropriate circumstances, the District reserves the right to partially fund proposals by funding discrete portions or phases of proposed projects. If the District decides to partially fund a project, it will do so in a manner that does not affect the basis upon which the proposal, or portion thereof, was evaluated and selected for award, thereby maintaining the integrity of the competition and selection process. The contractor retains the right to withdraw the proposal as a binding offer to perform services if contractor determines or considers that the proposed partial funding as defined by the District will not result in a project capable of producing a successful outcome.

4.5 Project Management, District Services and Budget

Contractor will report progress and communicate on substantial issues during the conduct of the project with a Project Manager appointed by the District. No substantial modification of project scope or design shall be undertaken without notification and approval by the Project Manager. Contractor will allow the Project Manager and/or designated District staff sufficient access during the project to perform oversight to review and monitor project progress to confirm that the requirements of the agreement are being met, the project is being

conducted as proposed and is in compliance with required timelines. District staff may also assist the project through technical support such as emissions testing, development of specifications for evaluation of project data and quantification of results, and identification of required reporting outputs. However, contractor is responsible for all costs and efforts for conduct of the project and should identify in the proposal any required participation and collaboration by District staff that the contractor considers essential for completion of the project. Contractor is not permitted to assume that any expense will be covered by the District which is not specified in the proposed budget and will not be permitted to amend the project budget for expected services or support not identified and requested in the proposal.

4.6 Reporting Requirements

Quarterly progress reports will be required of award recipients. Quarterly reports will be due one month from the end of each three month period starting with the execution of a grant award agreement. A final report including emission information, cost-effectiveness of emissions reductions possible, and commercialization potential must be submitted within two months of completion of the demonstration period and three (3) years from execution of the grant agreement.

4.7 Project Period

The estimated project period for awards resulting from this solicitation will begin on August 30, 2010. Selected contractors must be prepared to execute grant agreements within sixty (60) days of proposal selection. Projects should be operational no later than one (1) year from the execution of the grant agreement. The operational period may be determined as part of the contractors proposal; however, the extent of the operational period shall be terminated with sufficient time remaining to allow evaluation, writing, and submittal of a final project report not later than three (3) years from execution of the grant agreement.

4.8 Additional Requirements

4.8.1 Disadvantaged Business Enterprise (DBE) utilization

The selected contractor(s) shall not discriminate on the basis of race, color, national origin or sex in the performance of any projects selected for funding under this RFP. The selected contractor(s) shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded as a result of any grant agreement resulting from this RFP.

Applicants must employ the six good faith efforts described in 40 CFR 33.301 in any subcontracting occurring as a part of any project receiving funding as a result of this RFP.

The attachment section of the proposal package must contain a completed EPA Form 6100-4—DBE Program Subcontractor Utilization Form, and EPA Form 6100-3—DBE Program Subcontractor Performance Forms from each subcontractor expected to be utilized as a part of the project. EPA forms and information on the DBE Rule, forms, and fact sheets can be downloaded from http://www.epa.gov/osbp/dbe_forms.htm.

4.8.2 Debarment and Suspension

In order to be eligible for participation in this RFP an applicant must not presently be debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation, or otherwise excluded from or ineligible for participation under federal assistance programs. Applicants must ensure that all subcontractors employed for conduct of this project certify to the applicant compliance with this provision of law.

5.0 Response Submittal Requirements

Each proposal submitted must include, at a minimum, the following sections, and consist of no more than ten (10) pages, plus attachments:

1. Cover Letter
2. Executive Summary Page
3. Project Proposal
4. Project Budget
5. Air Quality Benefit Analysis
6. Attachments

Responses to this RFP shall be considered as binding offers to perform the project if the proposal is selected and funding is awarded. Proposals shall be binding for a period of not less than six months so that additional projects may be awarded funding without reissuance of this RFP if additional funds are received or otherwise made available to extend the scope of the effort. Should additional funding become available after six months the District may select eligible projects from the remaining proposals. Proposals shall be awarded after six months only if selected contractor(s) are capable of completing the project as proposed without modifications, other than to the proposed timeline.

5.1 Cover Letter

The cover letter must include the name, address, and telephone number of the company, total project cost, requested funding, the name of the contact person for the proposal, and be signed by the person or persons authorized to represent the company.

5.2 Executive Summary Page

The first section of the proposal should be an executive summary which includes:

- A brief statement describing project.
- Summary of the applicant's organization and experience related to the proposed project.
- Funding Requested.
- Project period, including expected beginning and end dates.

5.3 Project Proposal

This section should contain a detailed project summary including:

- Description of specific actions and methods to be undertaken.
- Detailed project schedule.
- Status of any permits required, if applicable.
- Description of associated work products to be developed.
- Description of the roles of the applicant and partners, if any.
- Description of the applicant's organization and experience related to the proposed project.

5.4 Project Budget

This section should contain a detailed project budget including:

- Description of the total project costs.
- Requested funding to be provided by District, including a clear explanation of how the funding will be utilized.
- Source and amount funding for remainder of project, include documentation of 3rd party funding as attachments.

5.5 Air Quality Benefit Analysis

This section should contain a detailed analysis of the emission reduction potential of the proposed technology. This analysis should contain a cost-effectiveness estimate based on expected cost after commercialization and be expressed on cost per ton of emissions reduced. Explain all assumptions used

in calculating emission reductions and cost-effectiveness, and used established criteria where applicable.

5.6 Attachments

This section may include attachments necessary to support portions of the proposal including but not limited to support letters, resumes or curricula vitae.

This section must contain a completed EPA Form 6100-4—DBE Program Subcontractor Utilization Form, and EPA Form 6100-3—DBE Program Subcontractor Performance Forms from each subcontractor expected to be utilized as a part of the project. EPA forms and information on the DBE Rule, forms, and fact sheets can be downloaded from http://www.epa.gov/osbp/dbe_forms.htm.

6.0 Proposal Evaluation

6.1 Evaluation Criteria

Each proposal shall be scored and point totals shall be awarded in each of the categories listed below.

30 pts Relevance to Plans: Is the project or technology addressing an area of high importance to the District's Air Quality Plans? The District's Ozone Plans, Particulate Matter Plans, and Fast Track Strategy can be found at <http://www.valleyair.org/> for reference.

20 pts Co-benefits: Projects and technologies that benefit more than one air pollution control concern will score high on this criterion, projects that do not will score low. The quantitative extent of the co-benefit (or dis-benefit) of the technology when fully deployed will also be considered in this criterion. This criterion considers impacts on criteria pollutants and precursors, greenhouse gasses, and air toxics.

20 pts Technology Cost-effectiveness: This is the expected cost-effectiveness of the technology when fully deployed. Ideally, the dollars per ton calculation would include annualized capital and ongoing operating costs as compared with the annual emission reductions.

20 pts Additional Funding Required and Resource Leveraging: Projects that leverage resources outside of this RFP will score higher. Projects that require large amounts of new funding will not score as high.

10 pts National Significance: While the focus of this effort is on projects and technologies that benefit the unique challenges facing the San Joaquin

Valley air basin, those projects and technologies that may have broad application nationwide are given additional credit with this criterion.

100 pts Total

6.2 Evaluation and Approval

District staff will evaluate, score, and rank all proposals and recommend the selection of the projects to the Executive Director/Air Pollution Control Officer (APCO). The Executive Director/APCO shall select projects for approval.

7.0 Confidential Information

Proposals containing trade secret or confidential information must be received with a request for confidential treatment of information. The applicant must separate information requested to be kept confidential into an attachment, and referenced where necessary within the proposal. Air pollution emission data shall not be designated as confidential.

Proposals selected for funding, excluding confidential attachments, will become public records upon execution of a grant agreement with the District.