**AFIG Frequently Asked Questions**

**General Questions**

1. **Where does AFIG funding come from?**

AFIG is a program funded through an annual allocation from the General fund equal to 0.25 mills of the utilities gross receipts tax. The funding is authorized through the Alternative Fuels Incentive Act (Act of Nov. 29, 2004, P.L 1376, No. 178.) A description of the Utilities Gross Receipt Tax can be found by searching for “Gross Receipts Tax” on the Department of Revenue website, [www.revenue.pa.gov](http://www.revenue.pa.gov) .

1. **Are the slides available for download from the March 7 and March 8 webinar sessions?­**

Yes. The Webinar presentation is available on our website at this link:

<http://www.dep.pa.gov/Citizens/GrantsLoansRebates/Alternative-Fuels-Incentive-Grant/Pages/default.aspx>

1. **As part of the competitive scoring process within each time period, is any type of project given a heavier weighted score, or higher priority for funding?­**

No. DEP will not be prioritizing one project category over another. We will be selecting the best projects based on evaluation criteria as is defined in the guidance document. .

1. **Can you "stack" funding from other Pennsylvania funding programs, such as ACE?­**

Applicants may use funds that are “committed” from other grant sources as matching funds, with the exception of any other awarded DEP grant dollars. However, an applicant will not receive credit for any match dollars that have been “applied for” to other grant funding sources, but not yet awarded.

1. **Can the program run out of money before the end of the year? What happens if it does?­**

Yes, it is possible. AFIG receives an annual allocation of funds through a utilities gross receipts tax. If the program funds are allocated to projects early in the year, we intend to open the program in the following year based on the same application review timelines described in our 2016 guidelines. It is true, and expected, that the amount of available funds will decrease from the beginning of the year to the end. However, not every applicant is ready to start a project at the same time of the year. DEPs preference is to see quality applications and project proposals at whichever time of the year a project is ready to commence.

1. **Can the applicant use federal funds as cost share match for the project?**

Federal funds **ARE** eligible for all or a portion of the 50% cost share match for the project

1. **Is the 50% match a Cash Requirement or can it be in-kind donation of vehicle and materials?**

In-kind donations of time or materials **ARE** eligible for 50% match contributions under the innovative technology and refueling infrastructure project types. For vehicle purchase or retrofit, and biofuel use projects, we can only fund 50% of the incremental purchase cost, so the other 50% of the incremental cost will be a cash match. A third party could provide a donation toward the incremental cost, as long as the applicant has a letter from the third party. For all in-kind donations, letters of commitment will be required.

1. **What is "incremental cost share"?­**

For vehicle purchase projects, it is the difference between the base price of a conventional model and its comparable alternative fuel model. For biofuel use projects, it is the price difference between a gallon of conventional fuel and a gallon of biofuel.

**Vehicle Retrofit and/or Purchase Projects**

1. **Are vehicles purchased prior to 1/1/16 eligible for vehicle retrofit?**

Yes. Vehicle **retrofit** costs for currently owned vehicles are eligible for funding, *provided* the conversion occurs after 1/1/16, and within 12 months of the application due date. New vehicles purchased prior to 1/1/16 are **NOT** eligible.

1. **If vehicles are purchased in 2016 for conversion to bi-fuel, does the applicant pay for the vehicles upfront and then apply for grants for reimbursement, or wait to get the grant money prior to ordering the vehicles?**

Applicants may complete the process of purchasing vehicles anytime, but should not install the alternative fuel conversion systems on those vehicles until the grant period begins. Also, as a reminder, any applicant who starts a project and incurs costs before receiving a fully executed grant agreement does so as its own risk, because these are competitive grants with no guarantees of receiving an award.

1. **Are vehicles over 26,000 GVWR eligible?­**

Vehicles over GVWR 26,000 pounds are eligible under the category – **Vehicle Retrofit and/or Purchase.** There are no GVWR restrictions for vehicle purchase or retrofit.

1. **Is the $200k vehicle limit pertaining to any one entity for the entire calendar year (2016)?**

All of the grant dollar caps, whether it is $200,000 or $500,000, are limits on a **single** application. An eligible entity is permitted to apply for multiple grants in a calendar year, and up to the maximum grant cap for each application.

1. **Is there currently a propane fuel rebate or tax incentive for 2015 for LPG used in school buses?­**

Visit the Alternative Fuels Data Center website for information on federal incentives that may be available, <http://www.afdc.energy.gov/laws/fed_summary> as well as more info on tax incentives for propane - [http://www.afdc.energy.gov/fuels/laws/LPG/US](http://www.afdc.energy.gov/fuels/laws/LPG/US%20%20)

1. **The guidelines say "vehicles must be primarily operated and fueled in Pennsylvania"...what does "primarily" mean?­**

Vehicles must be registered in PA during the grant period and for no less than two years following the project completion. The applicant should have vehicles routes predominantly within Pennsylvania and substantial refueling occurring in Pennsylvania.

1. **If you are awarded for vehicle purchases one year, are you eligible for another grant for vehicles the following year? Or is prior award something factored into scoring? i.e. purchase of 25 buses this year and 25 next year­**

Yes an applicant **IS** eligible to apply in consecutive years for additional eligible vehicles. DEP is looking for applicants that are able to commit to and have success using alternative fuels. If a previous grant had problems or was not completed as stated, this will factor into our evaluation in the future rounds. Therefore, it’s best to ensure you are able to complete each proposed project as described.

**Alternative Fuel Refueling Infrastructure Projects**

1. **Can the grants be utilized for upgrades on existing infrastructure**

Upgrades to the existing infrastructures **ARE** eligible, as long as the applicant is able to demonstrate that the upgrade will increase the adoption and use of alternative fuels. An example of this type of project could involve proposals that add additional capacity to an existing fueling station.

1. **Do service vans fall under the fleet refueling infrastructure category?**

Under the *Fleet Refueling Projects* category, **ONLY** an alternative fuels fleet of 10 or more vehicles of Class 1 to class 6 vehicles which have a Gross Vehicle Weight Rating (GVWR) under 26,000 are eligible.

Under the *Home Refueling Projects* category, a minimum of one alternative fuel vehicle per refueling station with a GVWR under 10,000 lbs is eligible.

1. **Do vehicles greater than 26K GVWR count toward "fleet" statistics?**

No. Under the *Fleet Refueling Projects* category, **ONLY** an alternative fuels fleet of 10 or more vehicles of Class 1 to class 6 vehicles which have a Gross Vehicle Weight Rating (GVWR) under 26,000 are eligible.

Vehicles over 26,000 lbs GVWR are certainly permitted to use the refueling infrastructure but do not fall under the AFIG program definition of *fleet* in order to be eligible for fleet refueling infrastructure funding.

1. **Please clarify the difference between Home Base Refueling and Fleet Refueling?**

Fleet refueling **must be a group of 10 or more vehicles** comprised of passenger cars, light duty truck and heavy duty trucks up to **GVWR 26,000 lbs**( Class 1 through 6 vehicles). Home refueling may involve a minimum of just one vehicle, which does not have to be a part of a fleet. The GVWR **limit for Home Refueling is up to10,000 lbs (Class 1, Class 2a & 2b vehicles).**

1. **Does infrastructure include required garage modifications to repair/service natural gas vehicles?**

No, AFIG does not fund garage modifications that are intended to bring vehicle maintenance facilities into building code compliance.

1. **Upgrading existing infrastructure, how do you measure "expansion" resulting from the upgrades?**

Applicant should provide adequate details in the application as to what the current condition of existing infrastructure is versus what the expanded infrastructure will provide in enhancements. We are looking to understand if/how the upgrades will increase participation and alternative fuel usage at the site.

1. **Do you have to have all required permits in hand (ex. for a CNG station) before you can apply for a grant?**

The permits or a specific timeline and plan for obtaining all permits should be provided in the application. If awarded a grant, you will be required to provide all permits as a deliverable for the grant prior to obtaining any grant dollars.

1. **Can you use the grant monies for a new CNG fueling station?­**

Yes, funds can be used for a new CNG fueling station, or any alternative fuel refueling infrastructure, provided the station meets the definition of either fleet or home based refueling.

1. **If a propane fueling station was installed in 2015, and the state has not certified the station yet are we eligible to apply for a grant to help recoup station costs?­**

No, projects from 2015 are **NOT** eligible for the grant. However, AFIG may be available to you for future additions of propane vehicles or possible infrastructure expansions.

1. **For the 1-year project completion requirement, does that also apply to alternative fuel refueling stations?**

No, there is a 2-year (24-month) period of performance for alternative fuel refueling station projects. The project would need to be completed within 24 months of the application submission due date.

1. **Would a parking garage with electric charging stations be submitted under the home based refueling category? ­**

DEP does anticipate seeing applications that involve electric charging stations. Whether the project falls under fleet refueling or home based refueling is based on what you submit to us in the application. The project must meet all the requirements for one or the other infrastructure type.

**Biofuel Use Projects**

1. **For Biofuel Use projects, if, for whatever reason, the project doesn't go for the full 4 years, would grant money need to be paid back?­**

If the grant agreement duties and obligations are not fulfilled there is the possibility that grant monies would need to be paid back to DEP. Each grant situation would be looked at on a case-by-case basis.

1. **Can funds be used for the development of biodiesel production facilities?**

No, funds cannot be used for the development of biodiesel production facilities. What could potentially be funded is either the incremental cost of biofuel **purchase**, or biodiesel refueling infrastructure as per the definition of refueling infrastructure.

1. **Your guidelines say that if you start out at B5, by the end of the project you must be using a biodiesel blend of at least 20%. How do you calculate that, is it the average biodiesel blend over the year?**

No, this is not an average. If you begin your biofuel project using a 5% biodiesel blend, the overall biodiesel content usage must double each year, until the blend reaches at least 20%.

**Innovative Technology Projects**

1. **What are some examples of Innovative Technology projects that have been funded under AFIG?**

Examples of Innovative Technology projects funded recently by AFIG include:

* Construction and operation of a micro liquefied natural gas (LNG) production plant
* Demonstration of wireless opportunity charging in a variety of routes, including urban and highway, for public transportation
* Installation of a CNG vehicle tank defueling vent stack at a repair facility
* Cell design optimization for electric vehicle batteries, and pilot production of battery cells.

A reminder that the technology to be supported with grant funds should not be currently in widespread commercial use in Pennsylvania.

1. **Can Innovative Technology projects fund personnel (salary) expenses?**

Yes, personnel costs may be requested, however, personnel costs may not exceed 50% of the total grant funding requested.

1. **Our corporate headquarters is in a different state, can we still apply for AFIG funds?**

Yes, you may apply for AFIG provided the project activities are located in Pennsylvania.