

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Texas

Lead Agency Authorized to Act on Behalf of the Beneficiary Texas Commission on Environmental Quality (TCEQ)
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	Texas Volkswagen Environmental Mitigation Program (TxVEMP) Oceangoing Vessels Shorepower
Beneficiary's Project ID:	013070/00
Funding Request No.	<i>(sequential)</i> 006
Request Type: (select one or more)	<input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>Vendors and Lead Agency</u>
Funding Request & Direction (Attachment A)	<input type="checkbox"/> Attached to this Certification <input checked="" type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Category 5 - Oceangoing Vessels Shorepower</u>
Action Type	<input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): Major seaports along the Texas Coast are located in the TxVEMP Priority Areas. Reductions in nitrogen oxides (NO _x) emissions from oceangoing vessels when docked at these seaports can assist in meeting air quality goals in those areas.	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): Projects include the installation of systems that enable an oceangoing vessel's main and auxiliary engines to remain off while the vessel is at berth. Seaports in the TxVEMP Priority Areas are surrounded by communities where there is the potential for the public to be exposed to a higher concentration of pollutants emitted from older diesel engines operated by oceangoing vessels. This initiative will help reduce the emissions of pollutants in these areas.	
Estimate of Anticipated NO_x Reductions (5.2.3): Calculation of emissions reductions will depend upon the type of vessels and engines expected to operate at a seaport, the number of visits expected per year, and the number of hours each vessel will remain at berth. These factors will be assessed on a per-project basis.	
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1): TCEQ	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). TCEQ will make project proposals awarded under this mitigation action publicly available on the TxVEMP website (www.texasvwfund.org). TCEQ will also report on the projected emissions reductions achieved by projects awarded under this mitigation action in its semi-annual report to the Trustee that is made publicly available on the Trustee website (www.wvenvironmentalmmitigationtrust.com/state-trust/texas).	
Describe any cost share requirement to be placed on each NO_x source proposed to be mitigated (5.2.8). Eligible applicants include port authorities located in the TxVEMP Priority Areas. Port authorities may be reimbursed for up to 80% of the eligible costs for shore power projects. Grant recipients will be required to provide documentation to show that equipment or services have been received and eligible costs have been paid in full before reimbursement will be approved by TCEQ.	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). In accordance with Section 4.2.8 of the State Trust Agreement, TCEQ provided notice via email to the U.S. Department of Interior and U.S. Department of Agriculture of the opportunity to request Volkswagen mitigation action funds. This notice included a copy of the State Trust Agreement and informed them of the opportunity to comment on Texas' draft Beneficiary Mitigation Plan.	

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

Projects will reduce the potential for communities located near seaports to be exposed to a higher concentration of pollutants emitted from older diesel engines operated by oceangoing vessels.

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- Attachment A** **Funding Request and Direction.**
- Attachment B** **Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).**
- Attachment C** **Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).**
- Attachment D** **Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]**
- Attachment E** **DERA Option (5.2.12). [Attach only if using DERA option.]**
- Attachment F** **Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]**

CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

1. **This application is submitted on behalf of Beneficiary State of Texas, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.**
2. **Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.**
3. **This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.**
4. **Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)**
5. **Beneficiary will maintain and make publicly available all documentation submitted in**

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: May 12, 2023



Jon Niermann, Chairman

Texas Commission on Environmental Quality
[LEAD AGENCY]

for

State of Texas
[BENEFICIARY]

[SAMPLE ATTACHMENT B - USE OF THIS FORMAT IS NOT MANDATORY]

PROJECT MANAGEMENT PLAN
PROJECT SCHEDULE AND MILESTONES

Milestone	Date
Lead Agency Provides Notice of Availability of Mitigation Action Funds	
Project Sponsor Submits Proposal to Lead Agency	
Lead Agency Provides Written Approval of Project Sponsor's Proposal	
Lead Agency Incorporates Project Sponsor's Proposal into Mitigation Plan	
Trustee Acknowledges Receipt of Project Certification and Funding Direction	
Trustee Allocates Share of State Funds for Approved Project	
Lead Agency Directs Funding (Advance Funded Projects)	
Project Sponsor Obtains Cost Share, Notifies or Certifies to Lead Agency	
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Start	
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Complete	
Project Installation(s) – Start	
Project Installation(s) – Complete	
Project Sponsor provides detailed invoices for all claimed project costs, documentation for emission reduction estimates, required certification documents to Lead Agency to support direction to Trustee for Payment (Reimbursement, Direct-to-Vendor) or final accounting (Forward Funded Projects)	-
Lead Agency completes review and certifies payment direction to Trustee (Reimbursement)	
Trustee Acknowledges Receipt of Direction for Payment(s) (Advance Funded, Reimbursement)	-
Project Sponsor Certifies Project Completion	
Lead Agency Reports Project Completion	

PROJECT BUDGET

Period of Performance: _____				
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust	Cost-Share, if applicable (Entity #1)	Cost-Share, if applicable (Entity #2)
1. Equipment Expenditure	\$	\$	\$	\$
2. Contractor Support <i>(Provide List of Approved Contractors as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
3. Subrecipient Support <i>(Provide List of Approved Subrecipients or Grant Awardees as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
4. Administrative ¹	\$	\$	\$	\$
Project Totals	\$	\$	\$	\$
Percentage	%	%	%	%

¹ Subject to Appendix D-2 15% administrative cap.

PROJECTED TRUST ALLOCATIONS:

	2017	2018	2019	2020	2021
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$	\$	\$	\$	\$
2. Anticipated Annual Cost Share	\$	\$	\$	\$	\$
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$	\$	\$	\$	\$
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$	\$	\$	\$	\$
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$	\$	\$	\$	\$
6. Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$	\$	\$	\$	\$
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$	\$	\$	\$	\$
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 6)	\$	\$	\$	\$	\$

Attachment B to D-4: Eligible Mitigation Action Management Plan and Budget

I. Project Management Plan: Project Schedule and Milestones

Milestones	Date
TCEQ will provide electronic notice to port authorities located in the TxVEMP Priority Areas that up to \$1.9 million will be available for shore-power projects that enable an oceangoing vessel's main and auxiliary engines to remain off while the vessel is at berth. TCEQ will invite port authorities to respond to TCEQ with a statement of interest including a project proposal, requested funding amount, and preliminary timeline for project implementation and completion, by 5:00 p.m. Central Time, Thursday, August 31, 2023.	July - August 2023
TCEQ will review and select a project proposal based on established evaluation criteria.	September 2023
TCEQ will issue and execute a direct-award contract with the port authority whose project is selected for a grant.	October 2023
TCEQ will process reimbursement requests for services or equipment that have been received and eligible costs that have been paid in full by the awardee.	November 2023 - October 2026
Upon final payment, the awardee will begin its commitment to operate the grant-funded shore power system for a period of at least three years.	November 2026 - November 2029
TCEQ will submit semi-annual reports to the trustee describing the process of implementing the mitigation action. These reports will include the status of each project and updates on payments to awardees and agency administrative costs.	January 2024 - November 2029

II. Project Budget

Budget Category	Total Requested Budget
Project Expenditures	\$1,969,157.40
Administrative Expenditures	\$78,766.30
Total	\$2,047,923.70

III. Project Cost Share

Awardee Type	% of Awardee Cost Share
Government	≥ 20%

Attachment C to D-4: Detailed Plan for Reporting on Eligible Mitigation Action Implementation

1. Purpose

The Texas Volkswagen Environmental Mitigation Program (TxVEMP) is preparing to provide electronic notice to port authorities located in the TxVEMP Priority Areas that up to \$1.9 million will be available for shorepower projects that enable an oceangoing vessel's main and auxiliary engines to remain off while the vessel is at berth. TCEQ will invite port authorities to respond to TCEQ with a statement of interest, including a project proposal, requested funding amount, and preliminary timeline for project implementation and completion, by 5:00 p.m. Central Time, Thursday, August 31, 2023.

2. Program Criteria

- a. **Eligible Applicants:** Port Authorities located in the TxVEMP Priority Areas.
- b. **Eligible Projects:**
 - must provide shorepower to oceangoing vessels;
 - must enable an oceangoing vessel's main and auxiliary engines to remain off while the vessel is at berth;
 - must comply with international shorepower design standards (ISO/IEC/IEEE 80005-1-2012 High Voltage Shore Connection Systems or the IEC/PAS 80005-3:2014 Low Voltage Shore Connection Systems); and
 - should be supplied with power sourced from the local utility grid.
- c. **Eligible Project Costs:** To be eligible for reimbursement, costs must be directly related to the implementation of the project and may include cables, cable management systems, shorepower coupler systems, distribution control systems, and power distribution.
- d. **Eligible Grant Amount:** TCEQ will reimburse the awardee for up to 80% of the total eligible project costs or the amount of available funding, whichever is less.
- e. **Awardee Reporting & Operation Requirements:** During the implementation of the project, the awardee will be required to provide quarterly reports on the progress of completing project activities. Once the project is operational, and for the duration of the three-year contract life, the awardee will be required to submit annual operations reports to the TCEQ.

3. Proposal Review and Selection

Proposals will be evaluated by TCEQ based on the:

- proposed project's emissions reduction potential; and
- extent to which the proposed project would advance the air quality goals of the Beneficiary Mitigation Plan for Texas.

TCEQ will issue and execute a direct-award contract with the port authority whose project was selected for award. TCEQ does not expect to award more than one contract under this mitigation action.

4. Outreach

TCEQ plans to provide outreach to port authorities in the TxVEMP Priority Areas leading up to the electronic notice being distributed. TCEQ will make project proposals awarded under this mitigation action publicly available on the TxVEMP website (www.texasvwfund.org). TCEQ will also report on the projected emissions reductions achieved by projects awarded under this mitigation in its semi-annual report to the Trustee that is made publicly available on the Trustee website at (www.vwenvironmentalmitigationtrust.com/state-trust/texas).

Attachment D to D-4: Detailed cost estimates from selection or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6).

TCEQ will not be able to provide detailed cost estimates until a project has been selected for award. Once a project has been awarded under this mitigation action, TCEQ will provide detailed cost estimates to the Trustee along with payment direction.