

## Questions and Answers

### **National Clean Diesel Funding Assistance Program, FY 2014 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-14-05)**

### **National Clean Diesel Funding Assistance Program, FY 2014 Tribal Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-14-06)**

Friday, July 25, 2014

The following Questions and Answers are compiled for the benefit of organizations considering applying for a grant under the above Requests for Proposals (RFPs).

**Funding Opportunity EPA-OAR-OTAQ-14-05 is now closed. Questions pertaining to this RFP are grayed out below.**

- A. Applicant Eligibility
- B. Project Eligibility
  - i. Exhaust Controls
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- C. Vehicle, Equipment, and Engine Eligibility
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  - i. Competitive Procurement Requirements
  - ii. General
- F. Tribal Clean Diesel Funding Assistance Program, FY 2014 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-14-06)

**Please note, Section F contains questions applicable only to the Tribal Clean Diesel Funding Assistance Program, FY 2014 Request for Proposals.**

Many questions are variations of each other so your exact question may not be listed; please look for similar questions.

## A. Applicant Eligibility

### **A.1:** *Can individuals or private companies apply for funding under this competition?*

Answer: No. Only eligible entities as defined in the RFP are eligible to apply for EPA funding.

Date Posted: 4/11/2014

### **A.2:** *Can a privately owned fleet receive funding?*

Answer: Only eligible entities as defined in the RFP are eligible to apply directly to EPA for funding under this RFP. However, both public and private fleets may benefit from program activities and EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects. There are several ways that an eligible entity can provide funding/benefits to fleet owners, including subgrants, rebates, or partnerships. Please see Section III.A of the RFP for more information.

Date Posted: 4/11/2014

### **A.3:** *Is the manufacturer of an emissions reduction device eligible for this grant?*

Answer: No, however manufacturers who would like to have their retrofit products eligible for purchase by recipients of this grant program must be listed on EPA or CARB's verified technology. An overview of the Verification Process is available at: [www.epa.gov/cleandiesel/verification/verif-process.htm](http://www.epa.gov/cleandiesel/verification/verif-process.htm). Funding under this program is not available for product testing/verification.

Date Posted: 4/11/2014

### **A.4:** *Is there a requirement that regional or local agencies must partner with a state, who then applies on behalf of the regional or local agency?*

Answer: No. Any eligible entity may apply. If the regional or local agency meets the definition of eligible entities, they may apply on their own. Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality.

Date Posted: 5/14/2014

### **A.5:** *Is funding available nationwide?*

Answer: Yes, eligible entities from any area of the United States may apply. However, EPA Regions have different evaluation criteria for the "regional significance component" of each project. Please see Section I.B.4 for the details for each Region.

Date Posted: 5/14/2014

### **A.6:** *Are there specific entities that private companies are required to partner with?*

Answer: Private companies can partner with any eligible entity defined in the RFP. Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality.

Date Posted: 5/14/2014

**A.7:** *Can a Port Authority apply on behalf of a vessel operator? What form of ownership agreement would be required?*

Answer: EPA awards funds to one eligible applicant as the recipient even if others are named as partners or co-applicants. The recipient is responsible for overall project management, all required reporting, and is accountable to EPA for the proper expenditure of funds. The recipient may use funding to provide subgrants, which includes using subgrants to fund partnerships, provided the recipient complies with applicable requirements for subgrants including those contained in 40 CFR Parts 30 or 31, as appropriate. Under a subgrant, the vessel owner would receive funding for, and be responsible for, carrying out their portion of the project, including the procurement and installation of the marine engines. Title to any equipment purchased would belong to the subgrantee. Alternatively, if the entire project is to be carried out by the Port Authority (including procurement and installation), and no funding will be provided directly to the vessel owner, other types of partnership agreements may be used. The partnership, and the proposal to EPA, should clearly explain the roles and responsibilities of all project partners. Typically, the partnership agreement would stipulate that at the end of the project the Port Authority would pass the Title to any equipment purchased by the Port Authority and installed on the vessel, to the vessel owner.

Date Posted: 5/23/2014

**A.8:** *Can a private school bus services company apply for a grant on behalf of a school district?*

Answer: As a private company you are eligible to apply for funding if you partner with a school district. The school district would have to be the applicant and would be the recipient of the EPA grant. As the grant recipient, the school district would have to maintain and be accountable to EPA for the grant funds, would procure the retrofit technology and ensure that all retrofit technologies are properly installed, and would set up any necessary contracts or agreements with the bus company.

Date Posted: 6/6/2014

**A.9:** *How can I determine if my non-profit organization is eligible to apply for funding under this RFP?*

Answer: To be eligible, non-profit organizations, including 501(c)(3) organizations, must: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. Non-profit organizations, as defined by OMB Circular A122, means any corporation, trust, association, cooperative, or other organization which is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest, is not organized primarily for profit, and uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" includes non-profit institutions of higher education and hospitals. Non-profit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply. See Section III.A. of the RFP for all details regarding eligible entities. The applicant's proposal should address how they meet the definition of an eligible entity.

Date Posted: 6/13/2014

**A.10:** *Is a pilot program promoting clean transportation through education, that is not currently associated with a nonprofit or government agency, eligible for funding?*

Answer: No. This RFP is for projects that directly achieve significant reductions in diesel emissions produced by diesel engines and diesel emissions exposure. Projects must include one or more of the diesel emission reduction solutions described in Section I.B of the RFP. Only eligible entities as defined in Section III.A of the RFP may apply for funding under this solicitation, although other entities (i.e. private companies) may partner with an eligible entity.

Date Posted: 6/13/2014

## **B. Project Eligibility**

### **i. Exhaust Controls**

**B.i.1:** *Are technologies that are CARB verified, but not EPA verified, eligible?*

Answer: Yes, under the National Clean Diesel Funding Assistance Program, funding may be used for EPA and/or CARB verified engine configurations and exhaust control retrofit technologies.

Date Posted: 4/11/2014

**B.i.2:** *Are DPF cleaning stations/machines eligible for funding?*

Answer: Yes, but only within the scope of the DPF project proposal. The eligible acquisition cost of equipment means the invoice price of the DPF, including the cost of modifications, attachments, accessories, or auxiliary apparatus (such as cleaning stations/machines) necessary to make the equipment usable for the purpose for which it was acquired. See Appendix B, Part B, Section 9 for additional details.

Date Posted: 6/6/2014

**B.i.3:** *Are annual maintenance costs associated with DPFs or DOCs covered by this funding?*

Answer: You may include equipment service or maintenance contracts in the "Other" category of the budget, but only costs incurred within the grant project period are reimbursable. A typical DERA grant project period is 2 years but may vary depending on individual project activities, and can be negotiated with the Region that awards the grant.

Date Posted: 6/13/2014

### **ii. Engine Upgrades**

No questions at this time.

### **iii. Cleaner Fuels Use**

**B.iii.1:** *What is the acceptable method to determine the fuel cost differential between USLD and an alternative fuel for a proposed project?*

Answer: Applicants should contact a fuel distributor to obtain current fuel price information as close to the proposal submission date as possible. Compare that cost to the cost of standard diesel fuel during a similar period.

Date Posted: 4/11/2014

**B.iii.2:** *Does the fuel cost differential make any provisions for infrastructure upgrades, such as tank upgrades?*

Answer: No. This RFP does not pay for any fueling infrastructure. It only pays for the cost-differential between the conventional fuel and the cleaner fuel.

Date Posted: 4/11/2014

**B.iii.3:** *Are “dual fuel” conversion systems eligible for funding?*

Answer: Clean alternative fuel conversions must be “dedicated” or “mixed fuel”, meaning the engine runs only on the alternative fuel, or uses a small amount of diesel mixed with the alternative fuel. Dedicated or mixed fuel engines do not have the ability to operate solely on diesel fuel. “Dual fuel” or “bi-fuel” conversions, meaning the engine can switch between fuel sources and still has the capability of running on 100% diesel, are not eligible for funding under this solicitation.

Date Posted: 5/30/2014

#### **iv. Idle-Reduction**

**B.iv.1:** *Are idle reduction technologies eligible for funding under this RFP?*

Answer: Yes. Idle reduction projects may be eligible for funding if an eligible, verified idle reduction technology is combined with a new, eligible verified exhaust control on the same vehicle. A list of eligible, EPA verified idle reduction technologies is available at: [www.epa.gov/smartway/forpartners/technology.htm#tabs-4](http://www.epa.gov/smartway/forpartners/technology.htm#tabs-4). EPA will fund stand-alone idle reduction projects using eligible idle reduction technologies only for locomotives, shore connection systems, and truck stop electrification technologies.

Date Posted: 5/14/2014

**B.iv.2:** *Would you consider funding for anti-idling technology for publicly owned emergency vehicles, e.g. ambulances?*

Answer: EPA verifies idle-reduction technologies for specific vehicle types and applications. Currently, EPA has verified idle-reduction technologies for: long-haul, Class 8 trucks; locomotives; school buses; electrified parking spaces/truck stop electrification; marine shore power connection systems; and locomotive shore power connection systems.

Date Posted: 5/14/2014

**B.iv.3:** *If a TSE/ EPS technology is installed at a dedicated fleet terminal facility and eligible verified exhaust controls are installed on the entire fleet, can the project receive 100% funding?*

Answer: No. EPA will fund up to 25% of the cost (labor and equipment) of the eligible truck stop electrification portion of the project, and will fund 100% of the cost (labor and equipment) of the verified exhaust control technologies installed on the fleet.

Date Posted: 6/13/2014

#### **v. Aerodynamics and Tires**

**B.v.1:** *Are low rolling resistance tire projects eligible?*

Answer: Yes. For long-haul, Class 8 trucks, EPA will fund up to 100% of the cost (labor and equipment) for verified low rolling resistance tires if they are combined with a new eligible verified exhaust control technology on the same vehicle. A list of EPA verified low rolling resistance tires is available at [www.epa.gov/smartway/forpartners/technology.htm#tabs-3](http://www.epa.gov/smartway/forpartners/technology.htm#tabs-3). EPA will not fund stand-alone low rolling resistance tire projects.

Date Posted: 5/14/2014

## vi. Engine Repowers

**B.vi.1:** *Can funding be used for new marine engines in a new vessel?*

Answer: No. The purchase of new vehicles or equipment to expand a fleet is not covered by this program. "Repower" refers to replacing an existing engine with a newer, cleaner engine that is certified to a more stringent set of engine emission standards and scrapping/destroying the old engine. Full marine vessel replacement is not an eligible activity under this RFP.

Date Posted: 5/14/2014

**B.vi.2:** *Is the repower of a marine propulsion engine from Tier 0 to a Tier 1 eligible for funding?*

Answer: Yes. Funds awarded under this RFP may be used to repower a marine engine from Tier 0 (unregulated) to Tier 1 marine engine standard. A table explaining the eligible marine engine repower/replacement restrictions is provided in Table 4.

Date Posted: 5/30/2014

## vii. Vehicle/Equipment Replacements

**B.vii.1:** *What is meant by incremental cost for a replacement?*

Answer: Incremental cost is the cost of the "cleaner, greener" portion of the vehicle or equipment, defined in the RFP as up to 25% of the cost of a newer, cleaner vehicle or piece of equipment (50% in the case of dray trucks).

Date Posted: 4/11/2014

**B.vii.2:** *Can highway diesel vehicles be replaced with vehicles fueled by CNG, LNG, or other alternative fuels?*

Answer: Yes. Nonroad equipment and highway diesel vehicles can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and use engines certified by EPA or, if applicable, CARB to meet a more stringent set of engine emission standards. For on-highway vehicles, the replacement must be powered by an engine certified to engine model year 2013 or newer standards for highway heavy-duty engines.

Date Posted: 5/14/2014

**B.vii.3:** *Can grant funds be used to retire and replace an older diesel vehicle?*

Answer: Yes, funding can be used for the early retirement and replacement of diesel vehicles, but replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is defined as a replacement or repower that is scheduled to take within 3 years of the project start date. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 5/23/2014

**B.vii.4:** *Replacing diesel buses with propane buses requires a significant increase in horsepower (250 v. 370). How do we seek approval for this increase in HP of more than 10%? How does it affect our overall competitiveness?*

Answer: The proposal should discuss was a HP increase is necessary or otherwise being requested, and provide sufficient justification. Increasing the size of the engine may reduce the emissions benefit of the project, therefore the justification should include a comparison of the emissions benefit gained by replacing with a same sized engine with the emissions benefit gained by replacing with a larger engine. The justification should also include a comparison of the cost of a same sized engine with the cost of a larger engine. If project results and/or cost effectiveness are significantly reduced by a HP increase that is not technologically justified, EPA may decide to fund such a project at a reduced EPA cost share (i.e. less than 40%). If sufficient explanation and justification are provided in the proposal, the competitiveness of the proposal should not be affected.

Date Posted: 5/30/2014

**B.vii.5:** *A client currently owns a fleet of CNG and LNG on-highway vehicles, which are leased out to other companies. Can they apply for a grant to fund the purchase of a new natural gas truck and scrap one of their lessee's older diesel trucks to satisfy the requirements of the grant?*

Answer: No. The purchase of a new vehicle to expand a fleet is not covered by this program. Further, the replacement vehicles must perform the same function as the vehicle being replaced.

Date Posted: 5/30/2014

**B.vii.6:** *Does the replacement vehicle have to be in the same location as the scrapped vehicle?*

Answer: Yes. The term "project location" as used in this RFP refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized. In order to receive full points under Section V, Criterion #3.a of this RFP, vehicles or equipment proposed for funding under this RFP must be operated a majority of the time in one of the priority counties or areas described in Appendix D. In order to qualify for these points for priority locations, you need to show that the vehicle operates a majority (over 50%) of the time in one or more of the counties or areas on the list. More information can be found in sections I.B.3. and V.A and Appendix D of the RFP.

Date Posted: 6/6/2014

**B.vii.7:** *How much of the cost will be covered for a project replacing a diesel vehicle with a natural gas vehicle?*

Answer: Funding can cover the incremental cost of a newer, cleaner vehicle or piece of equipment, up to 25% of the cost of an eligible replacement vehicle/equipment for nonroad and highway diesel vehicles, and up to 50% of the cost for drayage vehicles. See Section I.B.2.g for more information.

Date Posted: 6/6/2014

**B.vii.8:** *To meet the annual use threshold, can we propose replacing three pieces of nonroad equipment with one cleaner piece of equipment?*

Answer: Yes, provided each of the three pieces of nonroad equipment meet all other eligibility requirements for replacements regarding use and function as described in Section I.B.2.g.

Date Posted: 6/6/2014

**B.vii.9:** *In a replacement project, does an LNG engine need to be catalyst equipped?*

Answer: In general, yes. The new LNG engine must be certified to meet model year 2013 emission standards. The certified engine configuration includes any emission control components used by the engine manufacturer to meet those standards, and certified engine configurations for natural gas engines typically contain a catalyst.

Date Posted: 5/23/2014

**B.vii.10:** *Is a replacement vehicle funded through this RFP also eligible to be upgraded with advanced technology to further improve the vehicle's performance using a different Federal funding source (assuming the Federal funding sources are not used for matching requirements)?*

Answer: In general, yes. No funds awarded under this RFP shall be used for matching funds for other federal grants, and other federal grants may not be used as cost-share under this RFP unless the statute authorizing the other federal funding provides that the federal funds may be used to meet a cost-share requirement on a federal grant.

Date Posted: 6/13/2014

**B.vii.11:** *Is replacing transportation refrigeration units (TRUs) with a newer, cleaner TRU eligible? Should we use the non-road engine charts to determine eligibility of the project?*

Answer: Yes, TRU's are eligible. Replacing the entire TRU (engine and compressor) is a nonroad equipment replacement and requires scrappage of the existing TRU (engine and compressor). Replacing the entire refrigerated trailer and TRU is also a nonroad equipment replacement and requires scrappage of the existing refrigerated trailer and TRU. If only the engine the engine portion of the TRU is to be removed and replaced, the project is categorized as a repower and the existing engine needs to be scrapped. No funds awarded under this RFP shall be used to retrofit, repower, upgrade or replace a nonroad engine or equipment that has less than seven years of useful life remaining. A table distinguishing which nonroad engine model years EPA has determined to have at least seven years of useful life remaining, based on the type and age of vehicle, can be found at [www.epa.gov/cleandiesel/documents/fy14-nonroad-remaining-useful-life.pdf](http://www.epa.gov/cleandiesel/documents/fy14-nonroad-remaining-useful-life.pdf).

Date Posted: 6/13/2014

#### **viii. Clean Alternative Fuel Conversions**

**B.viii.1:** *Is there a list of the "verified" and "certified" "kits" that are available to convert a diesel engine to run on alternative fuel?*

Answer: Information on alternative fuel conversions and EPA-compliant conversion systems is available at: [www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm](http://www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm).

Date Posted: 4/11/2014



## ix. Miscellaneous

**B.ix.1:** *Can funds be used for a project that has already been started or will be started before the expected award date?*

Answer: No. All funding awarded under this announcement must be used for activities that take place within the approved project period and may not be used for unauthorized pre-award costs. However, funding could be used for a new component of an on-going project. For example, if the applicant has a fleet of 500 school buses and has already retrofitted 200, the applicant can apply for funds to retrofit the remaining 300 buses. Additionally, expenses incurred prior to the project period set forth in any assistance agreement resulting from this RFP are not eligible as a cost-share for proposed projects.

Date Posted: 4/11/2014

**B.ix.2:** *Please provide examples of eligible ways to incorporate CNG vehicles into our fleet.*

Answer: Full vehicle replacements are generally eligible for funding under this RFP. In that event, you would have to scrap an older diesel vehicle in order to purchase a new CNG vehicle with funds from this RFP. Alternatively, you may convert a diesel truck to run on CNG, or may repower a diesel truck with a CNG engine and scrap the old diesel engine. The purchase of a new vehicle that expands a fleet without scrapping a comparable existing diesel vehicle is not an eligible use of funds, regardless of the fuel type of the new vehicle.

Date Posted: 4/11/2014

**B.ix.3:** *Are LED light conversions eligible?*

Answer: No, LED light conversions are not eligible.

Date Posted: 5/14/2014

**B.ix.4:** *Can a large municipal fleet use DERA funding to meet CARB requirements?*

Answer: Yes, diesel emission reductions mandated by State regulation are eligible for funding. However, no funds awarded under this RFP may be used to fund emission reductions that are mandated under federal law.

Date Posted: 5/14/2014

**B.ix.5:** *Do vehicles or equipment retrofitted/upgraded with DERA funding have to stay in the country?*

Answer: Yes. Applicants must demonstrate in their application that target vehicles/engines operate, and will continue to operate for their remaining useful life, in the United States.

Date Posted: 5/30/2014

**B.ix.6:** *Are projects designed to address state mandated regulations eligible in Region 9 and 10?*

Answer: Yes, diesel emission reductions mandated by state regulation are eligible for funding in Regions 9 and 10. However, proposals for reductions through voluntary projects will receive additional points under the Regional Significance evaluation criterion. Please see Section I.B.4 of the RFP for additional Regional Significance goals and priorities.

Date Posted: 6/6/2014

**B.ix.7:** *Can DERA funds be used to contribute to a project where multiple funding sources are used including Federal, state, local, tribal, and private resources?*

Answer: Yes. In general, state, tribal, and local funds may be used as a cost-share. Any form of cost-share, mandatory or voluntary, must be included in the Budget Detail portion of the Work Plan. The proposal must describe how and when the applicant will obtain the cost-share and how the cost-share funding will be used. Applicants may use their own funds or other sources for cost-share if the standards of 40 CFR 30.23 or 40 CFR 31.24, as applicable, are met. If the proposed cost-share is to be provided by a project partner, a letter of commitment is required. Only eligible and allowable costs may be used for cost-share. Funds awarded under this RFP, cannot be used for matching funds (i.e. cost-share) for other federal grants, and other federal grants may not be used as cost-share under this RFP unless the statute authorizing the other federal funding provides that the federal funds may be used to meet a cost-share requirement on a federal grant.

Date Posted: 6/13/2014

**B.ix.8:** *Is battery replacement on hybrid diesel electric systems eligible?*

Answer: No.

Date Posted: 6/13/2014

**B.ix.9:** *Is the value of the vehicle being repowered or converted an allowable cost-share?*

Answer: No. EPA will fund up to 40% of the cost of an eligible engine repower or alternative fuel conversion, and applicants are responsible for cost-sharing at least 60% of the cost of an eligible engine repower or alternative fuel conversion. Please see Section III.B for cost-share requirements by project type.

Date Posted: 6/13/2014

## **C. Vehicle, Equipment, and Engine Eligibility**

**C.1:** *Are vehicles eligible for replacement under this grant if they are scheduled to be retired and scrapped by or before the end of the project period?*

Answer: No. Repowers or replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is defined as a replacement or repower that is scheduled to take within 3 years of the project start date. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 4/11/2014

**C.2:** *Please describe eligible diesel trucks.*

Answer: For the purposes of this RFP, eligible medium heavy-duty and heavy heavy-duty diesel highway vehicles are defined as Class 5 through Class 8: Class 5 (16,001 -19,500 lbs GVWR); Class 6 (19,501 - 26,000 lbs GVWR); Class 7 (26,001 - 33,000 lbs GVWR); Class 8a (33,001 - 60,000 lbs GVWR); Class 8b (60,001 lbs GVWR and over). Light-duty diesel trucks are not eligible under this RFP.

Date Posted: 4/11/2014

**C.3:** *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles are eligible under this RFP as long as the applicant meets the definition of an eligible entity.

Date Posted: 4/11/2014

**C.4:** *Why are vehicles with engine model years from 2004 to 2006 not eligible for replacement if they have a long remaining useful life and are not fitted with DPFs or SCRs?*

Answer: Because vehicles that are 2004 or newer have at least 10 years of useful life remaining, it is most cost-effective to retrofit these vehicles with DPFs and/or SCRs than to replace the entire vehicle.

Date Posted: 5/23/2014

**C.5:** *If an engine is too old for an engine family model number, is it eligible? If so, what model number and tier should be entered on the fleet description?*

Answer: For eligibility of nonroad engines you need the Model Year and horsepower to determine if it has at least seven years of useful life remaining. Engines that pre-date certification should be classified as "unregulated" or Tier 0. If family engine number or other fields in the Applicant Fleet Description are unknown, leave that section of the fleet description blank and include an explanation in your proposal.

Date Posted: 5/23/2014

**C.6:** *Is replacing a marine engine with a Tier 3 engine allowed if there are no Tier 4 engine options available?*

Answer: Yes. Any unregulated, Tier 1, or Tier 2 marine engine is eligible to be replaced by a Tier 3 or Tier 4 engine. Please note, repowering, replacing or upgrading an existing Tier 3 or Tier 4 marine engine is not eligible for funding under this RFP. Please refer to Appendix E, Part E for a chart listing all marine engine options.

Date Posted: 6/6/2014

**C.7:** *Does the RFP stipulate a minimum usage or operating threshold for the vehicle or equipment that is being replaced?*

Answer: There is no required minimum expected use for highway diesel vehicles, however the replacement vehicle/equipment must perform the same function as the vehicle/equipment that is being replaced. In other words, the existing vehicle must be in operating condition and in regular use. Nonroad engines and equipment must operate at least 500 hours per year, locomotives and marine engines must operate at least 1000 hours per year and locomotive shore connection system projects are expected to be utilized at least 1,000 hours per year.

Date Posted: 6/13/2014

## **D. Application Process**

**D.1:** *Can you provide a list of past applicants or recipients?*

Answer: While EPA cannot release information on grant proposals, it can provide information on previously funded projects. Information on all previously funded projects since 2008 may be found at [www.epa.gov/cleandiesel/projects-national.htm](http://www.epa.gov/cleandiesel/projects-national.htm) and [www.epa.gov/cleandiesel/projects-tribal.htm](http://www.epa.gov/cleandiesel/projects-tribal.htm).

Date Posted: 4/11/2014

**D.2:** *Where is the application for the grant program?*

Answer: The Request for Proposals for Funding Opportunity EPA-OAR-OTAQ-14-05 can be found at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm) and the Request for Proposals for Funding Opportunity EPA-OAR-OTAQ-14-06 can be found at [www.epa.gov/cleandiesel/prgtribal.htm](http://www.epa.gov/cleandiesel/prgtribal.htm). Applicants can download application forms SF 424 and SF 424A from EPA's Office of Grants and Debarment website at: [www.epa.gov/ogd/AppKit/application.htm](http://www.epa.gov/ogd/AppKit/application.htm). Please refer to the Proposal Submission Checklist in Appendix H of the RFP to ensure that all required information is included in your proposal package. To obtain a hard copy of materials, please call 1-877-NCDC-FACTS (1-877-623-2322) or email [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov).

Date Posted: 4/11/2014

**D.3:** *How is the "useful life" determination made for nonroad engines?*

Answer: For purposes of this RFP, useful life is based on the type and age of engine according to EPA's NONROAD Model. No funds awarded under this RFP may be used to retrofit, repower, upgrade, or replace a nonroad engine or equipment that has less than seven years of useful life remaining. A table showing which nonroad engine model years EPA has determined to have at least seven years of useful life remaining is available at [www.epa.gov/cleandiesel/documents/fy14-nonroad-remaining-useful-life.pdf](http://www.epa.gov/cleandiesel/documents/fy14-nonroad-remaining-useful-life.pdf). The useful life is based on the original model year of the engine, not the length of time since the last (or until the next) rebuild.

Date Posted: 5/14/2014

**D.4:** *When calculating incremental cost, what two figures should be compared for the cost of the "cleaner, greener" portion of the vehicle or equipment?*

Answer: Incremental cost is the cost of the "cleaner, greener" portion of the vehicle or equipment, defined in the RFP as up to 25% of the cost of a newer, cleaner vehicle or piece of equipment (50% in the case of dray trucks). In general, the incremental cost represents, for example, the cost of adding emission control equipment to a conventional diesel vehicle, or the difference in cost between a conventional diesel vehicle and a CNG vehicle.

Date Posted: 5/23/2014

**D.5:** *How many awards will there be per Region?*

Answer: It is anticipated that 1-3 assistance agreements will be made per Region from this announcement subject to the availability of funds, and the number, size, and quality of proposals received.

Date Posted: 5/30/2014

**D.6:** *For a project in Region 4, how critical is it if proposed Clean Corridor does not travel through non-attainment counties for PM 2.5, but is along the identified interstate priorities?*

Answer: The term "project location," as used in this RFP, refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized. Proposals submitted for projects located in Region 4 will be evaluated based on the quality and extent to which the proposed project addresses one or more of the Regional Significance factors identified in the RFP, up to 10 points. Under the "Programmatic Priority – Location" criterion, applicants will be evaluated based on the location of the project. 8 points are awarded to projects located in a priority county or area as described in Appendix D of the RFP, and 8 points are awarded to projects located in

the following areas of highly concentrated diesel pollution - truckstops, ports, rail yards, terminals, construction sites, school bus depots/yards, or distribution centers.

Date Posted: 5/30/2014

**D.7:** *Is a justification and substantiation letter required for an idle reduction project to install APUs on locomotives?*

Answer: Yes, a justification and substantiation letter is required for all project involving locomotives or marine engines. Proposals must include a clear and concise justification for why/how the proposed emission reduction are not subject to the Restriction for Mandated Measures under this RFP.

Date Posted: 5/30/2014

**D.8:** *What specifically needs to be in a cost-share commitment letter, if the project is using DERA funds to also leverage state- and local-funding sources?*

Answer: The budget detail portion of the work plan must include a detailed description of how the applicant will obtain the cost-share and how the cost-share funding will be used. Only eligible and allowable costs may be used for cost-share. If the proposed cost-share is to be provided by a third-party, a letter of commitment is required. The letter should explain the partner's role and responsibilities in carrying out the project, and include the partner's specific financial commitment to the project.

Date Posted: 5/30/2014

**D.9:** *Is the useful life definition determined by the manufacturer recommendation or by the fleet owner's vehicle retirement schedule?*

Answer: In regards to early/normal attrition, the useful life for highway diesel vehicles is determined by the fleet owner's vehicle retirement schedule. Replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is defined as a replacement or repower that is scheduled to take within 3 years of the project start date. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 6/13/2014

**D.10:** *Where can applicants provide information about the use of aerodynamic technologies for trailers in their proposal?*

Answer: Applicants should provide as much information as possible (number of vehicles, technologies, etc.) in order to determine the estimated emissions benefits of your project (e.g. information needed to run the Diesel Emissions Quantifier) in their proposal. The Applicant Fleet Description form is a helpful tool and should be filled in to the extent possible, but additional information on vehicles, equipment, and technologies should be included in Sections 1 and 4 of your narrative proposal.

Date Posted: 6/13/2014

## **E. Project Administration**

### **i. Competitive Procurement Requirements**

**E.i.1:** *Does a competitive process to secure an equipment vendor fulfill the competitive requirement of the grant to purchase replacement equipment?*

Answer: An applicant's contracts for services and products must be selected in compliance with the competitive Procurement Standards in 40 CFR Part 30 or 40 CFR 31.3,6 as appropriate.

Date Posted: 5/23/2014

### **ii. General**

**E.ii.1:** *How do we determine the dollar value of subgrants?*

Answer: The dollar value of subgrants/subawards is up to applicants' discretion. Applicants must provide the amount they propose to issue as subaward work and a description of the types of activities to be supported in the Budget Detail section of the work plan.

Date Posted: 6/6/2014

## **F. Tribal Clean Diesel Funding Assistance Program, FY 2014 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-14-06)**

Please note, Section F contains questions applicable only to the Tribal Clean Diesel Funding Assistance Program, FY 2014 Request for Proposals.

**F.1:** *In the RFP, EPA asks for grant forms, standard forms, 424, and 424a. Does form 424 have to be signed by the tribal chairman?*

Answer: The SF 424 needs to be signed and dated by the authorized representative of the applicant organization. A copy of the governing body's authorization for the authorized representative to sign the application as the official representative must be on file in the applicant's office.

Date Posted: 6/13/2014

**F.2:** *Do tribes have to apply directly as stand-alone projects or can they apply jointly with utilities?*

Answer: A tribe can apply individually or can form a partnership with other entities for the purposes of the grant, however only one tribe or tribal consortium may be listed as the applicant on the proposal, and that tribe is ultimately responsible for the proper implementation of the grant. There are several ways that tribe can then provide funding/benefits to the other project partners/fleet owners (including subgrants, rebates, or other partnership agreements) in accordance with the applicable EPA grant regulations and the terms and conditions of the original award. The proposal will have to clearly explain the roles and responsibilities of all subgrantees/project partners.

Date Posted: 6/13/2014

**F.3:** *If a tribal project in a particular region is selected for funding, who will administer the grant?*

Answer: The EPA Regional Office will administer the tribal grants awarded within the region.

Date Posted: 6/13/2014

**F.4:** *A tribe is interested in retrofitting equipment located within the reservation boundaries and at a tribally owned facility located outside the Community. Is the equipment located outside the Community eligible for this funding?*

Answer: Yes. The equipment may or may not be owned by the tribe or tribal members, and the equipment may or may not be located on the Reservation. Equipment owned by the Bureau of Indian Affairs, however, is not eligible since funding cannot be used to retrofit another Federal Agency's equipment.

Date Posted: 6/13/2014

**F.5:** *Do tribes have to have authority to regulate air quality regulations to be eligible?*

Answer: No, tribes do not have to have "Treatment as a State" or delegated Clean Air Act Authority in order to apply.

Date Posted: 6/13/2014

**F.6:** *The RFP states that for a tribal applicant to apply they must be either a tribal agency or tribal consortium who has jurisdiction over transportation or air quality. Do we take this to mean that the tribal entity must have regulatory authority formally delegated to them by either EPA, or a state environmental authority if they have primacy, for enforcing air or transportation regulations?*

Answer: No, jurisdiction is generally defined as the ability to make decisions which impact transportation or air quality. For example, a local government, such as a municipality, would be eligible. Or a school district would be eligible because it is responsible for decisions regarding transportation of students. Entities can explain how they fit the definition.

Date Posted: 6/13/2014

**F.7:** *How does the RFP define tribal agency and intertribal consortium?*

Answer: A tribal agency is a Federally recognized Indian tribal government, which is defined as any Indian tribe, band, nation, or other organized group or community (including Native villages) certified by the Secretary of the Interior as eligible for the special programs and services provided by him through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents federally recognized tribes.

Date Posted: 6/13/2014

**F.8:** *When are proposals due?*

Answer: Electronic submissions submitted through [www.grants.gov](http://www.grants.gov) must be received by 4:00 p.m. eastern daylight time (EDT). All hard copies of proposal packages must be received by the EPA OTAQ Office in Washington, DC by 4:00 p.m. EDT.

Date Posted: 6/20/2014

**F.9:** *Would an application be accepted from an intertribal consortium applying on behalf of a local city (which owns the electric utility) and working with a local tribal council?*

Answer: Yes. Per the RFP, intertribal consortia are eligible to apply for funding under this RFP and should apply using the instructions for tribes.

Date Posted: 6/27/2014

**F.10:** *What types of costs can an applicant include in a proposal?*

Answer: Allowable costs may include: personnel, fringe benefits, travel, equipment, supplies, contractual/consultant services, insurance, rental/lease of equipment or supplies, equipment service or maintenance contracts, printing or photocopying, rebates, and subaward costs related to the project. Please see Appendix B, 2, Section 9 for additional information about itemizing costs.

Date Posted: 6/27/2014

**F.11:** *Are genset projects eligible?*

Answer: Diesel generators are indeed included in the list of non-road eligible equipment. Please see Section 1.B.1, for information regarding eligible vehicles/equipment, a link to the non-road eligible engine chart, as well as information on the Tribal RFP's non-road justification clause. Please note that all technologies must be verified and all engine replacements must be certified.

Date Posted: 6/27/2014

**F.12:** *What happens if a partner drops out due to their inability to meet a mandatory cost-share? Can we change partners?*

Answer: In general, changing partners would be an allowable change, assuming all other aspects of the project (location, vehicle, technology type, and results) remain the same. Please note, If EPA accepts an offer for a voluntary cost-share or overmatch, applicants must meet this funding commitment as a legal condition of receiving EPA funding. Technology changes may not be allowed after a proposal has been selected for funding. If technology compatibility issues arise during the course of the project, EPA may elect to terminate the assistance agreement, at which time assistance funds must be returned to EPA.

Date Posted: 6/27/2014

**F.13:** *In our proposal, can we indicate we have identified backups for vehicles/vessels in our fleet or is this considered a change in the scope of the work plan?*

Answer: In general, swapping an identified vehicle for a substantially similar vehicle would be an approvable change as long as it does not impact the outputs, outcomes or competition rankings. Changes to proposed fleets and or technologies that would result in a lower project score per the Evaluation Criteria (i.e. outputs and outcomes, project location, diesel reduction effectiveness, etc) generally will not be allowed.

Date Posted: 6/27/2014

**F.14:** *Is training on the Diesel Emissions Quantifier provided to applicants prior to submitting their proposal?*

Answer: No. Although DEQ training is not provided, you may contact the National Clean Diesel Campaign Helpline for assistance. Please call 1-877-NCDC-FACTS (1-877-623-2322) or email [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov).

Date Posted: 6/27/2014

**F.15:** *Can in-kind costs be included as part of a cost-share?*

Answer: Staff time (in-kind services) for project management may be included as a voluntary cost-share under Personnel costs. The eligible project costs for vehicles/engines/technologies include parts and labor for installation. If the applicant will be providing in-kind services for the installation of engines/technologies, the applicant may apply those in-kind services towards the cost-share for those engines/technologies. EPA's share of eligible project costs for vehicles/engines/technologies is limited to the following:

- a. Engine Upgrades: EPA will fund up to 75% of the cost (labor and equipment) of an eligible engine upgrade (i.e. applicants are responsible for cost-sharing at least 25% of the cost of an eligible engine upgrade).
- b. Idle Reduction Technologies on Locomotives: EPA will fund up to 40% of the cost (labor and equipment) of an eligible idle reduction technology on a locomotive (i.e. applicants are responsible for cost-sharing at least 60% of the cost of an eligible idle reduction technology on a locomotive).



- c. Shore Connection Systems and Truck Stop Electrification Technologies: EPA will fund up to 25% of the cost (labor and equipment) of an eligible shore connection system or truck stop electrification technology (i.e. applicants are responsible for cost-sharing at least 75% of the cost of an eligible shore connection system or truck stop electrification technology).
- d. Certified Engine Repower: EPA will fund up to 75% of the cost (labor and equipment) of an eligible engine repower (i.e. applicants are responsible for cost-sharing at least 25% of the cost of an eligible engine repower).
- e. Certified Vehicle/Equipment Replacement:
  - 1) Nonroad Diesel Vehicles and Equipment: EPA will fund the incremental cost of a newer, cleaner vehicle or piece of equipment powered by a 2013 model year or newer certified nonroad diesel engine, up to 50% of the cost of an eligible replacement vehicle or piece of equipment (i.e. applicants are responsible for cost-sharing at least 50% of the cost of an eligible replacement vehicle or piece of equipment).
  - 2) Highway Diesel Vehicles: EPA will fund the incremental cost of a newer, cleaner medium or heavy-duty vehicle powered by an engine certified to the 2013 model year or newer standards for highway heavy-duty diesel engines, up to 50% of the cost of an eligible replacement vehicle/equipment (i.e. applicants are responsible for cost-sharing at least 50% of an eligible replacement vehicle or piece of equipment).
  - 3) Drayage Vehicle Replacement: EPA will fund up to 50% of the cost of eligible drayage trucks with a 2010 model year or newer heavy-duty engine equipped with a diesel particulate filter (or diesel oxidation catalyst in the case of a CNG engine). (i.e., applicants are responsible for cost-sharing at least 50% of an eligible drayage replacement vehicle).
- f. Clean Alternative Fuel Conversions: EPA will fund up to 40% of the cost (labor and equipment) of an eligible clean alternative fuel conversion (i.e. applicants are responsible for cost-sharing at least 60% of the cost of an eligible clean alternative fuel conversion).

Date Posted: 6/27/2014

**F.16:** *Once an application is received and is awarded a certain amount of money, is the applicant obligated to continue or can they withdraw if other funding fails to come through?*

Answer: If selected for award, an EPA Award Official will make an official offer of an award to the applicant. The applicant must formally accept or deny the award. If an award is accepted, the applicant may terminate the award for convenience, and return the funding, at any time.

Date Posted: 6/27/2014

**F.17:** *Are there age restrictions on how old a drayage vehicle must be in order to be considered for replacement?*

Answer: Drayage trucks with engine model years 1991 - 2003 are eligible for replacement with a vehicle with a 2010 or newer engine under this RFP. Drayage trucks with engine model years 1991 - 2006 are eligible for replacement with an all-electric vehicle.

Date Posted: 6/27/2014

**F.18:** *Please clarify a "more stringent set of engine emissions." Is going from a Tier 2 engine standard to a Tier 3 acceptable? Or is a Tier 4 engine standard always required?*

Answer: For the purposes of this RFP, eligibility depends on the type of engine, and the engine's current tier level. For example, under this RFP you can repower or replace a Tier 2 or Tier 3 nonroad engine with a Tier 4 or all-electric engine. Or, you can repower or replace a Tier 0 or Tier 1 nonroad engine with a Tier 2, Tier 3, Tier 4, or all-electric engine.

Under this RFP you may repower an unregulated marine engine with a Tier 1 marine engine, a Tier 1 marine engine with a Tier 2 marine engine, or a Tier 2 marine engine with a Tier 3 marine engine. Please see Section III.D of the RFP for additional funding restrictions.

In general, the new engine should be a new, current model year engine that meets the current emission standard for that particular type and size of engine unless there is a technical compatibility/feasibility issue that requires using an older model year engine. For most nonroad and marine engines, a current model year engine will be Tier 4 or Tier 3.

It is important to note that RFP eligibility is independent of any federal, state, or local regulatory requirements. It is the responsibility of the owner/operator of the vehicle/equipment to maintain compliance with all applicable regulations.

No funds awarded under this RFP shall be used to fund the costs of emission reductions that are mandated under federal law. Specifically, projects involving locomotives and marine engines will not be considered for funding under this RFP if the emission reductions proposed for funding are required by EPA's locomotive and marine rule, "Control of Emissions of Air Pollution from Locomotives and Marine Compression-Ignition Engines Less than 30 liters per Cylinder." Please see Appendix G of the RFP for more information on the locomotive and marine rule.

Additionally, projects involving nonroad diesel engines used in stationary generators and/or pumps will not be considered for funding under this RFP if the emission reductions proposed for funding are required by EPA's National Emission Standard for Hazardous Air Pollutants (NESHAP) for Reciprocating Internal Combustion Engines (RICE) at [40 CFR Part 63, Subpart ZZZZ](#) ("the RICE rule"), or EPA's Standards of Performance for Stationary Compression Ignition Internal Combustion Engines at [40 CFR Part 60, Subpart IIII](#) ("the Compression Ignition NSPS rule").

A portable non-road engine becomes stationary if it stays in one location for more than 12 months (or full annual operating period of a seasonal source). In general, the RICE rule and the Compression Ignition NSPS rule apply to all non-emergency, stationary engines. However, the air quality requirements for stationary engines differ according to whether the engine is new or existing, where the engine is located, and the size of the engine. For more information, please visit: [www.epa.gov/ttn/atw/icengines/](http://www.epa.gov/ttn/atw/icengines/). Please note that there are specific requirements for stationary engines used in Alaska, which can be found at 40 CFR Part 60.4216. For more information please visit: [www.ecfr.gov/cgi-bin/text-idx?SID=f31e09cca693d729718dfad05e400e30&node=40:7.0.1.1.1.98&rgn=div6](http://www.ecfr.gov/cgi-bin/text-idx?SID=f31e09cca693d729718dfad05e400e30&node=40:7.0.1.1.1.98&rgn=div6).

Proposals which include nonroad diesel engines used in stationary generators and/or pumps should include a clear and concise justification for why/how the proposed emission reduction are not subject to the Restriction for Mandated Measures under this RFP. The justification must clearly demonstrate that:

- a. the target engines are exempt from any federal requirements;
- b. and/or emission reductions funded with EPA funds will be implemented prior to the effective date of any applicable requirements under the rules; and/or
- c. emission reductions funded with EPA funds will not be used to satisfy any applicable requirements under the rule, but instead are in excess of (above and beyond) those

required by the applicable mandate. The proposal should state what federal performance, emission, operating, and maintenance requirements, as well as any compliance deadlines that are applicable to any existing and/or new engines, as well as how the work proposed for funding under this RFP exceeds these requirements.

Date Posted: 7/18/2014

**New**     **F.19:** *Is an all-electric marine repower project eligible? Does the technology need to be EPA verified or CARB certified?*

Answer: Yes, an all-electric marine repower project is eligible for funding. Funding can cover up to 75% of the cost (labor and equipment) of an eligible engine repower. All-electric (i.e., zero emission) repowers do not require EPA or CARB certification. Please note that funds awarded under this RFP cannot be used to fund the costs of emission reductions that are mandated under federal law. Specifically, projects involving locomotives and marine engines will not be considered for funding under if the emissions reductions are required by EPA's locomotive and marine rule. Proposals for emission reductions from locomotives and/or marine engines that do not include a Mandated Measures Justification and Substantiation Letter, as described in Section III.D.1 and Appendix G of this RFP, are not eligible and will not be reviewed.

Date Posted: 7/25/2014