

Questions and Answers: National Clean Diesel Funding Assistance Program, FY 2013 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-13-02)

Thursday, June 20, 2013

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

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Please note that 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 an individual 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: 4/17/2013

A.2: *Are privately owned fleets eligible to 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.

Date Posted: 4/17/2013

A.3: *Can you apply for funding if you were funded last year?*

Answer: Yes. You can apply for funding if you were funded in the past. Anyone eligible to apply may apply.

Date Posted: 4/17/2013

A.4: *Please expand on what you mean by jurisdiction over transportation/air quality?*

Answer: Agencies with "jurisdiction over transportation or air quality," are those that make program or policy decisions which impact transportation or air quality. For example, a local government, such as a municipality, is an eligible entity. Also, a school district is an eligible entity because it is responsible for decisions regarding the transportation of students. Entities should explain how they fit the definition.

Date Posted: 5/15/2013

A.5: *Are Transit Authorities eligible recipients of this grant?*

Answer: Yes, to the extent that the Transit Authority is a regional, state, or local agency jurisdiction over transportation or air quality.

Date Posted: 5/15/2013

A.6: *Would a Regional Planning & Economic Development Commission (created as a sub-division of the state non-profit) be eligible as a recipient?*

Answer: 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: 5/15/2013

A.7: *Do you have to be in a non-attainment region to qualify?*

Answer: No. However, areas designated as PM 2.5 or 8-Hr Ozone Nonattainment Areas or 8-Hr Ozone Maintenance Areas may receive points under Evaluation Criteria 3.a.

Date Posted: 5/15/2013

A.8: *Are applicants eligible if the county/counties are not on the Priority County Area List?*

Answer: Yes, projects are eligible even if they do not occur in a Priority Area. However, projects that take place in priority areas may receive points under Evaluation Criteria 3.a and b.

Date Posted: 5/15/2013

A.9: *Would an international company operating primarily in the U.S. be eligible to receive funds by partnering with an eligible U.S. applicant?*

Answer: Foreign or international organizations are generally eligible to receive subawards, or be beneficiaries of a project, even if they are not eligible to receive assistance agreements from EPA directly as long as the subaward is consistent with applicable EPA regulations, EPA policies, EPA guidance, and OMB Circulars. However, the applicant must demonstrate that the target vehicles/engines operate, and will continue to operate for their remaining useful life, in the U.S.

Date Posted: 5/22/2013

A.10: *Is a local fire department eligible for funding to replace a diesel powered rescue truck if the operating funds for the ambulance come from patient billing but the ambulance is purchased by the town? Additionally should the town or the fire department apply for the grant? We are in the process of replacing our diesel powered rescue truck.*

Answer: 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.

If the fire department is a non-profit they may be eligible, but if they are a for-profit organization they are not eligible. That said, the town is an eligible entity and could apply directly for funding to clean up the town fire truck.

Whether the project you describe is eligible is questionable. Because you are already in the process of replacing the truck it likely would not meet the requirement for early attrition/retirement. Normal attrition is generally defined as a replacement or repower that is scheduled to take place 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. For example, if a school bus fleet typically retires vehicles after 20 years, a bus that is currently in its 18th or 19th year of service is not eligible for replacement. A bus that is currently in its 17th year of service and has three years of useful life remaining (as defined by the fleet's retirement schedule) is eligible for replacement. Normal attrition does not include repowers or replacements that must occur due to a State or Local mandate. Proposals which include repowers and replacements must include a detailed discussion of the fleet owner's normal attrition schedule and must explain how the proposed emission reductions are not a result of vehicle/equipment replacements or repowers that would have occurred through normal attrition/fleet turnover within three years of the project start date.

Date Posted: 5/22/2013

A.11: *Are organizations that receive federal funds through another program eligible to receive DERA funds?*

Answer: In general, the receipt of federal funds under another program does not make an applicant ineligible for funding under DERA. However you have to be careful not to co-mingle funds from different programs or use funding or cost-share under one federal grant program as cost-share under another federal grant program.

Date Posted: 5/22/2013

A.12: *Is funding available nationwide?*

Answer: Yes, eligible entities from any state may apply.

Date Posted: 5/22/2013

A.13: *Is a nonprofit school bus provider eligible?*

Answer: Yes, as long as the organization meets the definition of a nonprofit as defined by the Office of Management and Budget (OMB) Circular A-122, located at 2 CFR Part 230.

Date Posted: 5/29/2013

A.14: *Can a consortium of states apply for a grant?*

Answer: A formal consortium or organization that meets the definition of an eligible entity as described in Section III.A of the RFP may apply. Alternatively, if a formal consortium does not exist, a group of States and fleet owners may form a partnership for the purposes of the grant, however only one State/eligible entity may be listed as the applicant on the proposal, and that State/entity is ultimately responsible for the proper implementation of the grant. There are several ways that an eligible entity can then provide funding/benefits to the other States/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. For some examples, a list of past projects can be found here: www.epa.gov/cleandiesel/projects-national.htm. The proposal will have to clearly explain the roles and responsibilities of all subgrantees/project partners.

Date Posted: 6/5/2013

A.15: *We manufacture a device that provides emissions reductions. We believe it provides considerable emissions reductions for fleet owners and they will want to purchase our product. Are we eligible for this grant?*

Answer: Manufacturers who would like to have their retrofit products eligible for purchase by grant recipients of this grant program must be listed on EPA's verified list by the close of the RFP. An overview of the Verification Process is available at: www.epa.gov/cleandiesel/verification/verif-process.htm. Due to the comprehensive testing process, manufacturers seeking verification will likely not be able to complete the required procedures before the close of this RFP. Funding under this program is not available for product testing/verification.

Date Posted: 6/12/2013

A.16: *Please clarify the eligibility requirements for institutions that provide pollution reduction services to persons or organizations that own or operate diesel fleets eligible. Is a for-profit institution eligible if it provides such services?*

Answer: No, only nonprofit organizations providing such services are eligible to apply for funding under this RFP. For-profit organizations are not eligible.

Date Posted: 6/12/2013

A.17: *Can a 501(c)(6) nonprofit, that otherwise has as its principal purpose the promotion of transportation, apply for funding under this RFP?*

Answer: In most cases, yes. 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: 6/12/2013

A.18: *Are federal agencies eligible?*

Answer: No, federal agencies are not eligible for funding under this RFP.

Date Posted: 6/12/2013

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 technologies.

Date Posted: 4/17/2013

B.i.2: *Is retrofitting with diesel particulate filters eligible?*

Answer: In general, yes. Eligible retrofit technologies must be on EPA's Verified Technologies List (www.epa.gov/cleandiesel/verification/verif-list.htm) or CARB's Verified List (www.arb.ca.gov/diesel/verdev/vt/cvt.htm).

Date Posted: 5/29/2013

ii. Engine Upgrades

B.ii.1: *Are "engine upgrades" for on-road vehicles eligible?*

Answer: No. To be eligible for funding, an upgrade must either be a verified retrofit or a certified remanufacture system that will result in an emissions benefit by rebuilding the engine to a cleaner engine configuration. Some nonroad and marine engines are able to be upgraded to reduce their emissions by applying manufacturer upgrades that are retrofits currently verified by EPA or CARB as a package of components demonstrated to achieve specific levels of emission reductions. Some locomotives and marine engines are able to be upgraded through the application of a certified remanufacture system that is used to rebuild the engine to represent a cleaner engine configuration.

Date Posted: 5/15/2013

iii. Cleaner Fuels Use

B.iii.1: *What is the acceptable method to determine price differential for a project which includes a proposed fuel switch in addition to the installation of exhaust controls?*

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: 4/17/2013

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 i.e. the fuel itself, not the fueling infrastructure.

Date Posted: 4/17/2013

B.iii.3: *Is CNG included as a cleaner fuel or vehicle/engine upgrades?*

Answer: EPA will not fund stand-alone cleaner fuel use. For new or expanded use of a cleaner fuel, this funding can cover the cost differential between the cleaner fuel and conventional diesel fuel if that cleaner fuel is used in combination, and on the same vehicle, with a new eligible verified exhaust control or an eligible clean alternative fuel conversion or an eligible engine upgrade or an eligible certified engine repower or an eligible certified vehicle/equipment replacement funded under this RFP, as described in Section I.B.2.

Date Posted: 5/15/2013

B.iii.4: *Are capital projects related to construction of a CNG fueling station or the purchase of CNG powered refuse trucks eligible under this RFP?*

Answer: No. Fueling infrastructure, even that to support vehicles newly upgraded to CNG or other alternative fuels, is not an eligible use of funds under this RFP. However, in general, the replacement, repower, or conversion of diesel powered refuse trucks with CNG powered refuse trucks is an eligible activity.

Date Posted: 5/15/2013

B.iii.5: *If an LNG truck is purchased to replace a diesel truck, is that fuel eligible?*

Answer: Yes, the cost differential between ULSD and LNG is eligible for the fuel used during the grant performance period.

Date Posted: 5/15/2013

B.iii.6: *If a fleet wants to transition to biodiesel, what types of retrofitting would qualify them for the grant?*

Answer: EPA will not fund stand-alone cleaner fuel use. For new or expanded use of a cleaner fuel, this funding can cover the cost differential between the cleaner fuel and conventional diesel fuel if that cleaner fuel is used in combination, and on the same vehicle, with a new eligible verified exhaust control or an eligible clean alternative fuel conversion or an eligible engine upgrade or an eligible certified engine repower or an eligible certified vehicle/equipment replacement funded under this RFP, as described in Section I.B.2.

Date Posted: 5/15/2013

B.iii.7: *Can an entity apply for a grant solely for the cost differential for bio-diesel?*

Answer: No, EPA will not fund stand-alone cleaner fuel use.

Date Posted: 5/15/2013

B.iii.8: *Would consideration be given to making and using biofuel?*

Answer: No funds awarded under this RFP shall be used for fueling infrastructure, such as that used for the production and/or distribution of biodiesel.

Per Section I.B.2.c of the RFP, biodiesel is one of the eligible diesel emission reduction solutions. However, EPA will not fund stand-alone cleaner fuel use. For new or expanded use of a cleaner fuel, this funding can cover the cost differential between the cleaner fuel and conventional diesel fuel if that cleaner fuel is used in combination, and on the same vehicle, with a new eligible verified exhaust control or an eligible clean alternative fuel conversion or an eligible engine upgrade or an eligible certified engine repower or an eligible certified vehicle/equipment replacement funded under this RFP, as described in Section I.B.2.

Date Posted: 5/22/2013

New B.iii.9: *Is use of an EPA registered fuel catalyst eligible for funding under this RFP?*

Answer: No. To be eligible, diesel emulsions or additives must be verified by EPA or CARB. Eligible cleaner fuel projects are described in Section I.B.2.

Date Posted: 6/20/2013

iv. Idle-Reduction

B.iv.1: *Is an idling reduction project eligible for funding if there is a state law which prohibits long-term idling?*

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

Date Posted: 4/17/2013

B.iv.2: *Would EPA consider allowing 100% funding for idle-reduction technology only for vehicles retrofitted with exhaust control technologies under a previous DERA grant?*

Answer: No, not at this time.

Date Posted: 5/22/2013

B.iv.3: *Would a fleet fuel management system be considered an eligible project if it automates fueling operations and enables diesel emission reductions by tracking engine idle times and engine maintenance codes, thereby allowing better fleet management and control. This does not appear to be listed as a verified idle reduction technology.*

Answer: No, fleet management systems are not verified idle reduction technologies at this time, and are therefore not eligible.

Date Posted: 5/22/2013

B.iv.4: *The RFP states that APUs are eligible if bundled on the same truck with an eligible DPF. Can the DPF be installed the APU exhaust, instead of installing the DPF on the truck exhaust?*

Answer: No. The bundling requirement refers to the installation of the DPF on the truck exhaust and the installation of the APU to allow shut down of the main truck engine.

Date Posted: 5/22/2013

B.iv.5: *Would EPA consider a project that involves "Ground Air" infrastructure to help reduce locomotive idling?*

Answer: Ground air for locomotives is not a verified idle reduction technology at this time, and therefore is not eligible.

Date Posted: 5/22/2013

B.iv.6: *Will EPA fund stand-alone verified shore connection systems?*

Answer: Yes. EPA will fund up to 25% of the cost (labor and equipment) of eligible shore connection systems. However, no funds awarded under this RFP shall be used for marine shore connection system projects that are expected to be utilized less than 2,000 MW-hr/year.

Date Posted: 6/12/2013

v. Aerodynamics and Tires

No questions at this time.

vi. Repowers and Replacements

B.vi.1: *Can you fund up to 25% of the cost of a CNG refuse collection truck? It would replace an older diesel truck.*

Answer: Yes.

Date Posted: 5/15/2013

B.vi.2: *Are dual-fuel (CNG + gasoline) replacement projects eligible?*

Answer: Gasoline engines/vehicles are not eligible for funding under this RFP.

Date Posted: 5/15/2013

B.vi.3: *We want to participate in the grant to upgrade to a cleaner running diesel standby generator. As part of the upgrade we also need to increase the capacity of our generator. Can the grant be used for such an upgrade?*

Answer: The replacement vehicle/equipment must be of the same type and similar gross vehicle weight rating or horsepower as the vehicle/equipment being replaced (e.g., a 300 horsepower bulldozer is replaced by a bulldozer of similar horsepower). Horsepower increases of more than 10 percent will require specific approval by EPA prior to purchase. Additionally, you must quantify the emissions benefit of the replacement; increasing the size of the engine may reduce the emissions benefit of the project. EPA may decide to fund such a project at a reduced EPA cost share (i.e. less than 40%). For a same sized engine, EPA pays up to 40% of the incremental cost of a new, cleaner engine. If the engine size is increased, EPA may require the grantee to pay the incremental cost of a larger engine, while EPA will pay the incremental cost of a cleaner engine.

Date Posted: 5/15/2013

B.vi.4: *The scoring charts on page 58 and 59 of the RFP have columns for "Repower or Conversion of Engine to Higher Certification Level" and "Repower or Conversion to All-Electric". Is the "Repower or Conversion" heading referring to a traditional repower to a new diesel or alternative fuel (CNG, LNG, Propane, etc.) engine and the "Repower or Conversion to All-Electric" column strictly referring to a transformation to electric powered vehicles? If that is correct, where would Engine Upgrades fit in these categories?*

Answer: "Repower or Conversion of Engine to Higher Certification Level" refers to the replacement of an engine with a cleaner diesel engine or alternative fuel engine, or the conversion of the diesel engine to run on an alternative fuel. "Repower or Conversion to All-electric" refers to either removing the engine and replacing it with an electric engine, or converting the existing engine or equipment to run on electricity.

To be eligible for funding, an upgrade must either be a verified retrofit as described below, or a certified remanufacture system that will result in an emissions benefit by rebuilding the engine to a cleaner engine configuration. Some nonroad and marine engines are able to be upgraded to reduce their emissions by applying manufacturer upgrades that are retrofits currently verified by EPA or CARB as a package of components demonstrated to achieve specific levels of emission reductions. Some locomotives and marine engines are able to be upgraded through the application of a certified remanufacture system that is used to rebuild the engine to represent a cleaner engine configuration. Verified/Certified engine upgrades may not be available for all engines, and not all upgrades may achieve an emissions benefit and therefore would not be an eligible project. Funding can cover up to 40% of the cost (labor and equipment) of an eligible nonroad, locomotive or marine engine upgrade.

Date Posted: 5/15/2013

B.vi.5: *Do marine engines need to go up at least a full tier?*

Answer: Yes, for repowers. Eligible marine engines may also be upgraded with certified or verified upgrade kits. Please refer to Section III.D and Appendix E for more information on marine engine eligibility.

Date Posted: 5/15/2013

B.vi.6: *Can an on-road (school bus) repower be combined with an exhaust control and be 100% funded?*

Answer: No. The repower would be funded at 40% and the exhaust control would be funded at 100%.

Date Posted: 5/15/2013

B.vi.7: *What is meant by incremental cost?*

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: 5/15/2013

B.vi.8: *We are interested in incorporating CNG vehicles into our fleet. Under this RFP, are we restricted to repowers in order to achieve this?*

Answer: No. Full vehicle replacements are generally eligible for funding under this RFP (see Appendix E, Table A for points awarded for various types of on-highway projects). 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 out of the truck. The purchase of a new vehicle to expand a fleet (i.e., 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: 5/22/2013

B.vi.9: *We are interested in replacing diesel sanitation trucks with hybrid electric. Would this be allowed?*

Answer: In general, yes.

Date Posted: 5/22/2013

B.vi.10: *When purchasing a CNG class 8 tractor to replace a diesel, what percentage of the cost is available from the grant?*

Answer: Up to 25 percent of the cost of the replacement vehicle can be covered by EPA funds.

Date Posted: 5/22/2013

B.vi.11: *I understand EPA is working on a regulation change to allow lower tiered engines to be used as repower engines. This rulemaking has not been completed as of this time. Given the length of time it takes to amend a federal rule, should we assume that the relaxed engine repower requirements will not be in effect in time for applicable repower projects to be considered under this current RFP?*

Answer: That is correct.

Date Posted: 5/22/2013

B.vi.12: *Are projects to replace diesel irrigation pumps with electric variable rate drive motors eligible for funding? Can funding be used to conduct testing?*

Answer: In general, replacing a diesel pump with an electric pump, or repowering a diesel pump to operate on an electric power is eligible, provided it meets the criteria outlined in Sections I.B.2 f, g, and h and Section III.D. Testing of diesel or electric pumps, however, is not an eligible activity.

Date Posted: 6/5/2013

B.vi.13: *For vehicle and equipment replacements, are all vehicle parts salvageable except the engine and chassis? How does an applicant predict the salvage income?*

Answer: Yes, equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced and sold for program income. We understand that it may not be possible to determine exact program income resulting from salvage, therefore applicants should use their best judgment to estimate any program income earned from salvage. If selected for an award, actual program income earned will be reported to EPA at a later date.

Date Posted: 6/12/2013

B.vi.14: *For vehicle and equipment replacements, does funding only cover the chassis?*

Answer: No. For nonroad, this funding can cover the incremental cost of a newer, cleaner vehicle or piece of equipment powered by a 2011 model year or newer certified nonroad engine, up to 25% of the cost of an eligible replacement vehicle/equipment. For on-highway, this funding can cover the incremental cost of a newer, cleaner medium or heavy-duty vehicle, powered by an engine certified to the 2011 model year or newer standards for highway heavy-duty engines, up to 25% of the cost of an eligible replacement vehicle/equipment. The replacement vehicle/equipment cost includes the chassis, the engine, and all components necessary to make the vehicle/equipment "whole." While standard components are included, the cost of additional "optional" components or "add-ons" that significantly increase the cost of the vehicle may be questioned and deemed ineligible for funding under the grant; the replacement vehicle should resemble the replaced vehicle in form and function.

Date Posted: 6/12/2013

New B.vi.15: *We currently have trucks running from point A to point B for 100 miles. If we propose a replacement project, can we then use those trucks on a different route, from point A to point C for 200 miles?*

Answer: In general, yes. The replacement vehicle should perform the same function as the vehicle that is being replaced. When calculating your annual emission reductions, you will need to account for any increase in annual mileage. The proposal should clearly describe where the trucks currently operate and where the trucks will continue to operate.

Date Posted: 6/20/2013

vii. Clean Alternative Fuel Conversions

B.vii.1: *When a diesel engine has a "kit" applied to it so that it runs on CNG or a "dual fuel" (for ex. CNG and diesel), is that an "engine upgrade" or "clean alternative fuel conversion?"*

Answer: Conventional, original equipment manufacturer (OEM) highway diesel vehicles and engines that are altered to operate on alternative fuels such as propane, natural gas, alcohol, or electricity are classified as aftermarket clean alternative fuel conversions. Clean alternative fuel conversions are accomplished by applying a certified or compliant alternative fuel conversion "kit" to an existing highway diesel engine.

In order for a dual-fuel conversion to be eligible, the new engine would have to be certified to a more stringent set of engine emission standards for each type of fuel. As there are no certified upgrade kits for on-highway engines, this would essentially constitute a repower of the existing diesel engine with a newer, cleaner engine that is certified to a more stringent set of engine emission standards and then the application of a certified dual fuel conversion kit to the newly repowered engine. The applicant would only be able to take credit for the emission benefits of the repowered diesel engine as there is no way to guarantee the dual fuel engine will be operated on the alternative fuel.

Date Posted: 5/15/2013

B.vii.2: *Is there a list posted somewhere that lists all of the "verified" and "certified" "kits" that are applied to a diesel engine to make it run on alternative or dual fuel?*

Answer: Information on alternative fuel conversions and EPA-compliant conversion systems is available here: www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm.

Date Posted: 5/15/2013

B.vii.3: *If a project to convert equipment to an alternative fuel was proposed due to federal regulations, is it an eligible project if it exceeds the requirements? If eligible, would it be considered cleaner fuel use or clean alternative fuel conversion?*

Answer: If a vehicle or engine is subject to a federal mandate, the applicant must clearly demonstrate that emission reductions funded with EPA funds: a) will be implemented prior to the effective date of the federal mandate; and/or b) will not be used to satisfy the federal mandate, but are in excess of (above and beyond) those required by the applicable federal mandate. If your project met these requirements, converting equipment to an alternative fuel would be considered a clean alternative fuel conversion. "Cleaner Fuel Use" refers to the purchase of the actual fuel.

Date Posted: 5/22/2013

B.vii.4: *Are natural gas conversions of fleets eligible?*

Answer: In general, yes.

Date Posted: 5/22/2013

B.vii.5: *What is the link to the list of certified and compliant clean alternative fuel conversion systems in section I.B.2.i of the RFP?*

Answer: Please find the list of certified and compliant clean alternative fuel conversion systems at: www.epa.gov/oms/consumer/fuels/altfuels/altfuels.htm.

Date Posted: 5/22/2013

B.vii.6: *The certified clean alternative fuel conversion systems list only includes gasoline engines, even on the Heavy-Duty Engines tab. Does this mean there are no EPA-certified conversion systems available at this time for diesel engines?*

Answer: The certified clean alternative fuel conversion system list at www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm#4 is not comprehensive. To find certified clean alternative fuel conversion systems for heavy-duty highway engines, you may search the lists of certificates that are available in the on-highway engine certification data section at www.epa.gov/otaq/certdata.htm. Please note that the certificate lists do not distinguish original manufacturer and clean alternative fuel conversion certificates. To find the conversion certificates, you must either look for the conversion fuel you are interested in or for the name of a specific conversion manufacturer. Please contact Steve DeBord (debord.steven@epa.gov) for assistance.

Date Posted: 5/29/2013

B.vii.7: *For a drayage truck replacement project, can I add a dual fuel CNG and diesel system to the 2010 truck if I pay the full amount out of pocket? Does this count as a voluntary cost-share?*

Answer: EPA will fund up to 50% of the cost of eligible drayage trucks with a 2010 model year or newer heavy-duty diesel engine. The applicant must provide 50% cost-share of the replacement diesel truck. If the owner then wanted to convert the truck to dual fuel/CNG at their own expense that would be outside the scope of the grant agreement, EPA would not be involved, and the expense could not be used as a voluntary or mandatory cost share. Additionally, the applicant would only be able to take credit for the emission benefits of the replaced diesel engine with a 2010 diesel engine.

Date Posted: 5/29/2013

B.vii.8: *Is a conversion to a dual-fuel (CNG and diesel) engine eligible?*

Answer: In order for a dual-fuel conversion to be eligible, the new engine would have to be certified to a more stringent set of engine emission standards for each type of fuel. As there are no certified upgrade kits for on-highway engines, this would essentially constitute a repower of the existing diesel engine with a newer, cleaner diesel engine that is certified to a more stringent set of engine emission standards and then the application of a certified dual fuel conversion kit to the newly repowered engine. The applicant would only be able to take credit for the emission benefits of the repowered diesel engine as there is no way to guarantee the dual fuel engine will be operated on the alternative fuel, therefore EPA would only fund the initial repower, and not the repower plus the conversion.

Date Posted: 6/12/2013

B.vii.9: *Is conversion of a marine vessel with gasoline outboard motors and a gasoline generator to a highly efficient diesel generator eligible for DERA grant funds?*

Answer: No. Projects must target existing diesel-powered engines and vehicles/equipment.

Date Posted: 6/12/2013

viii. Miscellaneous

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

Answer: No. Any 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.

Date Posted: 4/17/2013

B.viii.2: *Why are technologies on the Emerging Technologies list not eligible?*

Answer: Technologies on the Emerging Technologies list have not yet received full verification by EPA. The statutory authority for this RFP only allows for funding of fully verified or certified technologies.

Date Posted: 4/17/2013

B.viii.3: *Can DERA be used to come into compliance for California state laws?*

Answer: In general, yes.

Date Posted: 5/15/2013

B.viii.4: *Can we propose a "community" project where we would apply for funding and then provide the funding to eligible engines/vehicles in the community that are not owned by the applicant?*

Answer: Yes, both public and private fleets may benefit from program activities and EPA encourages 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. For some examples, a list of past projects can be found here: www.epa.gov/cleandiesel/projects-national.htm.

Date Posted: 5/15/2013

B.viii.5: *Can funds be used to retrofit generators to meet the RICE NESHAP rules?*

Answer: No funds awarded under this RFP shall be used to fund the costs of emission reductions that are mandated under federal law. The restriction applies when the mandate takes effect (the effective date) for any affected vehicles, engines or equipment. This restriction does not apply to a mandate in a State Implementation Plan approved by the Administrator under the Clean Air Act. Voluntary or elective emission reduction measures shall not be considered "mandated," regardless of whether the reductions are included in the State Implementation Plan.

Proposals which include affected engines must include a clear and concise justification for why/how the proposed emission reductions are not subject to the Restriction for Mandated Measures under this RFP. The justification must clearly demonstrate that:

- a) the target vehicles or engines are exempt from the requirements of the federal mandate; or
- b) emission reductions funded with EPA funds will be implemented prior to the effective date of any applicable requirements under the rule; 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.

Applicants must provide sufficient information to support the justification, including maintenance records, if applicable. This information should be included as an attachment to the proposal, and does not count towards the 10-page limit. If applicable, emission reduction benefits shall only be calculated for the period preceding the effective date or compliance deadline. Please see Appendix C for instructions on calculating emission reductions.

Date Posted: 5/15/2013

B.viii.6: *Are listed emerging technologies eligible?*

Answer: No.

Date Posted: 5/15/2013

B.viii.7: *What project options are available for a municipal school bus fleet? Is a cost share or matching funds expected?*

Answer: Potential eligible projects include verified exhaust control devices, certified vehicle replacements, verified idle reduction technologies, certified engine repowers, verified/certified engine upgrades, and clean alternative fuel conversions. Depending on the project type, different cost share expectations are required on the part of the fleet owner. For a detailed description of the cost sharing guidelines, please see Section III.B. of the RFP.

Date Posted: 5/22/2013

B.viii.8: *Is cold ironing of ships allowed?*

Answer: In general, yes.

Date Posted: 5/22/2013

B.viii.9: *Are programs for education (training for clean fuel maintenance) eligible?*

Answer: In general, training programs are not eligible for DERA funding. In some cases, limited training costs related to maintenance of new technologies installed through the grant may be an eligible expense.

Date Posted: 5/22/2013

B.viii.10: *Is a project to design/redesign wells to increase diesel pump efficiency eligible for a DERA grant?*

Answer: No. DERA funding is limited to verified exhaust control technologies, verified / certified engine upgrades, verified / certified cleaner fuel use, verified idle reduction technologies, verified locomotive idle reduction technologies, verified shore connection systems and truck stop electrification technologies, verified aerodynamic technologies and low rolling resistance tires, certified engine repowers, certified vehicle / equipment replacement, and clean alternative fuel conversions.

Date Posted: 6/5/2013

C. Vehicle, Equipment, and Engine Eligibility

C.1: *Are vehicles eligible for replacement under this grant if they have several remaining years of useful life but 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: 4/17/2013

C.2: *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles can be the target fleet for a project under this RFP as long as the applicant meets the definition of an eligible entity.

Date Posted: 4/17/2013

C.3: *What is your definition of a "transit fleet"?*

Answer: A fleet of vehicles, such as buses (excluding school buses), ferries, or rail, having the primary purpose of moving people.

Date Posted: 4/17/2013

C.4: *Can DERA funds be used on the same vehicle that is also receiving an emission reduction incentive grant such as TERP?*

Answer: While EPA cannot speak to the requirements or restrictions of the TERP (or other state/local programs), in general, state and local funds may be used on the same vehicle, or as a cost-share, as DERA funded activities. However, DERA funds must be used only for new purchases and cannot be used to reimburse activities that occurred before the active EPA grant budget period.

Date Posted: 5/15/2013

C.5: *I don't see ferry boats or marine engines listed on the eligible nonroad engines list. Please advise.*

Answer: Marine Engines and Locomotives are separate categories from all other nonroad engines, and therefore are not included on the "remaining useful life" tables. Please refer to Section III.D, Appendix E and Appendix G for information on marine engine eligibility.

Date Posted: 5/15/2013

C.6: *Do portable diesel engines used in landfills and wastewater treatment facilities qualify for funding?*

Answer: In general, yes.

Date Posted: 5/15/2013

C.7: *Is the replacement of an emergency stand-by generator eligible?*

Answer: Nonroad engines/equipment used in energy production are eligible. However, no funds awarded under this RFP shall be used to retrofit, repower, replace or upgrade nonroad engines and equipment that operate less than 500 hours per year.

Date Posted: 5/15/2013

C.8: *Why is there a difference between the drayage and normal vehicle MY requirements?*

Answer: Incentivizing diesel emission reductions at ports is a priority for EPA's National Clean Diesel Campaign.

Date Posted: 5/15/2013

C.9: *Are locomotives eligible for this round of funding?*

Answer: Yes, locomotives are eligible per Section I.B.1 of the RFP. Please refer to Section III.D and Appendix E for more information on locomotive eligibility.

Date Posted: 5/15/2013

C.10: *How are heavy-duty engines defined in the RFP?*

Answer: For the purposes of this RFP, medium heavy-duty and heavy heavy-duty 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).

Date Posted: 5/22/2013

C.11: *Does the RFP stipulate a minimum operating threshold?*

Answer: Depending on the type of vehicle or equipment, yes. Per Section III.D.1, 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 there are minimum usage requirements for shore connection systems.

Date Posted: 5/22/2013

C.12: *Is a vehicle older than 1989 eligible for replacement?*

Answer: No. On-highway vehicles must be model year 1990 or newer to be eligible.

Date Posted: 5/22/2013

C.13: *If vehicle replacement is chosen as a project, can the diesel vehicle be replaced with a gasoline powered vehicle?*

Answer: No, gasoline vehicles/engines are not eligible technologies under this RFP.

Date Posted: 5/22/2013

C.14: *Are fuel cells an eligible technology under this funding opportunity?*

Answer: No, fuel cells are not eligible under this RFP.

Date Posted: 5/22/2013

C.15: *Only replacement vehicles are eligible, correct? New vehicles will not be eligible?*

Answer: Correct. The purchase of new vehicles to expand a fleet is not eligible.

Date Posted: 5/22/2013

C.16: *Does "not limited to" mean that nonroad vehicles used on landfill sites are eligible?*

Answer: Yes, nonroad equipment/vehicles used at a landfill are eligible.

Date Posted: 5/22/2013

C.17: *We have older airplane engines that are used as back-up generators. Would upgrades be allowed?*

Answer: This depends on the age of the old engines, what type of fuel they run on (diesel only), and the hours of operation per year.

Date Posted: 5/22/2013

C.18: *Does the EPA have a model year/remaining lifespan chart for school buses which could be used for early vehicle replacement consideration?*

Answer: No. School bus eligibility is defined, in general, as 1990-2006 for replacement. See Appendix E, Table B for point values for various School bus projects. Early attrition (i.e. early replacement) is defined by the vehicle owner's retirement schedule or standard operating procedures. Please see Section I.B.2.h of the RFP for more information on early attrition.

Date Posted: 5/22/2013

C.19: *Are solar charging stations eligible?*

Answer: No.

Date Posted: 5/22/2013

C.20: *We have 2007 model year trucks that are equipped with 2006 model year engines. Does the engine model year or the vehicle model year determine eligibility for medium and heavy-duty trucks and transit buses?*

Answer: In general, the assumption for on-highway vehicles is that vehicle model year and engine model year are the same and therefore, the vehicle model year determines eligibility. In this case, however, we would use the engine model year if the applicant supplied enough information to verify that the engines are actually 2006 (i.e. Engine Family Names).

Date Posted: 5/22/2013

C.21: *Are small harbor boats eligible if less than 30 liters per cylinder?*

Answer: It depends on the age of the engine, the owner of the engine, and the proposed emission reduction activity. The RFP states that, "Locomotives and marine engines that are subject to the requirements of 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,' will not be considered for funding under this RFP if the upgrade/remanufacture proposed for funding is required by regulation."

The rule (marine existing fleet program) affects marine diesel engines and vessels regulated under part 94 or part 1042. The marine existing fleet program applies only to those commercial marine propulsion and auxiliary diesel engines which meet the following criteria:

- C1 and C2 engines (i.e. per cylinder displacement up to 30 liters)

- Greater than 600 kW (800 hp);
- Tier 2 and earlier engines; and
- Built in model year 1973 or later.

Small vessel operators are exempt from the new standards for existing fleets. The requirements of the marine existing fleet program do not apply to owners of marine diesel engines or vessel operators with less than \$5 million in gross annual sales revenue. This threshold includes annual sales revenue from parent companies or affiliates of the owners/operators.

All proposals which include locomotives and/or marine engines 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. The justification must clearly demonstrate that:

- a. the target locomotives and/or marine engines are exempt from the requirements of EPA's locomotive and marine rule; or
- b. emission reductions funded with EPA funds will be implemented prior to the effective date of any applicable requirements under the rule; 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.

Applicants must provide sufficient information to support the justification, including maintenance records, if applicable. The justification must also include a signed letter (Substantiation Letter) from the owner/operator of the subject locomotive(s) and/or marine engine(s) attesting to the accuracy of the information. This information should be included as an attachment to the proposal, and does not count towards the 10-page limit. Please see Appendix G of the RFP for additional information.

Date Posted: 5/29/2013

C.22: *Are light-duty diesel trucks eligible?*

Answer: No, light-duty diesel trucks are not eligible under this RFP. Highway vehicles must be Class 5 through Class 8.

Date Posted: 6/12/2013

C.23: *How do I find out if a specific natural gas truck is certified? Or is an alternative fuel vehicle considered a verified technology?*

Answer: Engines are certified and retrofit technologies are verified. You can view certification data by engine manufacturer at: www.epa.gov/otaq/certdata.htm.

Date Posted: 6/12/2013

New C.24: *Where can I find current standards for PM and NOx or NMHC+NOx for my vehicle?*

Answer: EPA's Emission Standards Reference Guide, with links to more detailed information, is available at www.epa.gov/otaq/standards/index.htm. A summary of compression-ignition exhaust emission standards is available at www.epa.gov/otaq/standards/heavy-duty/hdci-exhaust.htm.

Date Posted: 6/20/2013

D. Application Process

D.1: *Will the sensitive business information in my application remain confidential?*

Answer: EPA recommends that you do not include confidential business information (“CBI”) in your proposal/application. However, if confidential business information is included, it will be treated in accordance with 40 CFR 2.203. Applicants must clearly indicate which portion(s) of their proposal/application they are claiming as CBI. EPA will evaluate such claims in accordance with 40 CFR Part 2. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c)(2) prior to disclosure. The Agency protects competitive proposals/applications from disclosure under applicable provisions of the Freedom of Information Act prior to the completion of the competitive selection process.

Date Posted: 4/17/2013

D.2: *Would it be possible to obtain a list of applicants or past recipients?*

Answer: While EPA cannot release information on grant proposals, it can provide information on previously funded projects. Please see the National Clean Diesel Projects website at www.epa.gov/cleandiesel/projects-national.htm for more information.

Date Posted: 4/17/2013

D.3: *Does EPA provide contact information for retrofit technology manufacturers?*

Answer: EPA provides a list of verified retrofit technology manufacturer contacts at www.epa.gov/cleandiesel/verification/contacts.htm.

Date Posted: 4/17/2013

D.4: *Is match funding required to be local funding; or can state or federal funds from a federal agency other than EPA be used, such as DOT?*

Answer: No funds awarded under this RFP shall be used for matching funds (i.e. cost-share) for other federal grants. There is likely a similar term and condition in the other federal grant award document. In general, state and local funds may be used as a cost-share.

Date Posted: 5/15/2013

D.5: *What EPA Region am I in?*

Answer: A listing of Clean Diesel Collaborative with EPA Regions and Contacts can be found here: www.epa.gov/cleandiesel/ncdc-cmt.htm#whereyoulive.

Date Posted: 5/15/2013

D.6: *Have the targeted (priority) counties changed since last year?*

Answer: Yes, there have been some changes. The list may also change throughout the RFP open period, therefore applicants should review the list at: www.epa.gov/cleandiesel/documents/fy13-county-area-list.pdf.

Date Posted: 5/15/2013

D.7: *Can the funding be used to supplement an existing DERA project (e.g. revolving loan fund for drayage vehicles)?*

Answer: In general, no. Funding under this RFP is only for the purchase and implementation of verified and certified diesel emission reduction technologies as detailed in the RFP. This program is separate and distinct from the previous SmartWay Innovative Finance Grant programs, and this funding cannot be used for loans, leases, or other financing strategies.

Date Posted: 5/15/2013

D.8: *Are there funding maximums for each region?*

Answer: Yes, there are funding ranges for each region. The ranges can be found in Section II.A of the RFP.

Date Posted: 5/15/2013

D.9: *Since EPA's NONROAD model estimates useful life based on default usage and scrappage, can an applicant use equipment-specific use to re-calculate remaining useful life?*

Answer: For the purposes of nonroad engine eligibility, all applicants must use the given tables for determining if the engine has at least 7 years of useful life remaining. NONROAD model factors were used as the basis for the remaining useful life tables. For the purposes of calculating emission reductions, applicants may be able to justify using a re-calculated remaining useful life. If doing so, the applicant should thoroughly explain their methodology.

Date Posted: 5/15/2013

D.10: *If proposing to do subgrants, how could an applicant apply for funding without having the actual vehicle description (HP, etc.) that will be replaced/repowered/etc.? Would the applicant list the project solicitation criteria they would use?*

Answer: Yes, if project partners are not yet known the applicant should provide as much information as possible about the proposed number and type of target vehicles/engines in the applicant fleet description. The applicant should also discuss the process and criteria they will use for soliciting and selecting subgrantees/partners/beneficiaries.

Date Posted: 5/15/2013

D.11: *What is the grant limit (\$) for equipment to handle cargo at a port? Are they subject to the EPA mandate?*

Answer: Section II.A of the RFP outlines the minimum and maximum amount of Federal funding that may be requested per proposal, depending on which EPA Region you are applying to. Section I.B.2 outlines the amount of funding EPA will cover for the various types of eligible diesel emission reduction solutions, depending on which type of project you are proposing. Port cargo handling equipment is not subject to EPA's locomotive and marine engine rule.

Date Posted: 5/15/2013

D.12: *How many awards will there be per Region?*

Answer: The number of projects funded per region is not limited to a specific number of awards, but largely dictated by the financial constraints of the program. However, it is anticipated that 1-2 assistance agreements will be made per Region.

Date Posted: 5/15/2013

D.13: *Could you provide some statistics, in the previous DERA what was the funding level, how many applications were received, how many were funded?*

Answer: In 2012, the National Clean Diesel Funding Assistance Program received 93 applications requesting \$131M. EPA awarded 26 competitive grants totaling \$20M. Information on all previously funded projects since 2008 may be found at www.epa.gov/cleandiesel/projects-national.htm.

Date Posted: 5/15/2013

D.14: *In order to get the minimum funding \$150,000 does that mean the total project cost (including applicant cost share) must value 375,000.00, based on 40% EPA cost share?*

Answer: If the proposal is for a technology option that EPA will fund at 40%, and the proposal only includes costs for equipment parts and labor, then yes, that is correct. Please note that the mandatory cost share percentages apply only to the equipment costs (parts and labor) and do not apply to other eligible project costs such as applicant personnel costs or the cost of eligible supplies.

Date Posted: 5/15/2013

D.15: *We would like to use this funding as pass-through funds for projects that we determine meet the DERA criteria. Since we do not know the funding amount that will be required, how do we know the amount to request?*

Answer: First, grantees may not simply "pass-through" funds to another entity; however, grantees may award subgrants to eligible third parties in accordance with the applicable EPA grant regulations and the terms and conditions of the original award. Second, you should work with your potential partners/subgrantees to gauge interest and need, to estimate the amount of funding to request as well as they types and numbers of vehicles and technologies. Your proposal will have to clearly explain your process for selecting, awarding, and managing subgrants.

Date Posted: 5/15/2013

D.16: *Since only one application is allowed per region; how would you advise an agency to assure that there are no duplicate applications for the region?*

Answer: The restriction is on the number of applications per applicant, not the number of applications submitted to the Region by all applicants. Non-tribal applicants can submit one proposal to no more than two EPA regional offices, for a total of no more than two (2) proposals nationally as long as they are for different projects and submitted separately. An applicant cannot submit more than one proposal for any region.

Date Posted: 5/15/2013

D.17: *For a Region 4 project, are we restricted to only those types of projects listed under Region 4's Regional Significance, or are we also allowed to do a clean fuel conversion?*

Answer: Clean alternative fuel conversions, as well as all other eligible diesel emission reduction solutions listed in Section I.B.2 of the RFP, are eligible in Region 4. However, the types of projects listed as a priority for Region 4 will receive additional points under the Regional Significance evaluation criterion.

Date Posted: 5/22/2013

D.18: *How are Advance Program areas given extra points in the application process? How many points would Advance Program area proposals receive?*

Answer: Projects that take place in counties/areas that are part of EPA's Ozone Advance Program or PM Advance Program receive 8 points under Evaluation Criterion 3.a "Programmatic Priority – Location." Additional details regarding the programmatic priority locations may be found in Appendix D of the RFP.

Date Posted: 5/22/2013

D.19: *We are a school district who applied for the school bus rebate program in 2012. How does this RFP relate to the 2012 school bus rebate program? Are the application requirements the same?*

Answer: This 2013 National Funding Assistance RFP is separate from the 2012 school bus rebate program. Program requirements and application procedures also differ considerably. Please consult the RFP at www.epa.gov/cleandiesel/prgnational.htm for full details on project eligibility and application requirements.

Date Posted: 5/22/2013

D.20: *Where can applicants obtain DUNS number?*

Answer: Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711. To locate a previously existing DUNS number, please visit: <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>.

Date Posted: 5/22/2013

D.21: *Under Region 4's Regional Significance, are nonroad vehicles used at landfills considered a priority? They are nonroad/non-construction vehicles.*

Answer: Yes.

Date Posted: 5/22/2013

D.22: *Where do we access the application to participate in the grant program?*

Answer: The Request for Proposals is available here: www.epa.gov/cleandiesel/prgnational.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. 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.

Date Posted: 5/22/2013

D.23: *Can a State have more than one proposal if they are different state agencies? Or are they both considered the single state entity for the proposal limit?*

Answer: Per 40 CFR 31.3 “Grantee means the government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.” Only the State agency with jurisdiction over transportation or air quality is eligible. Because the “State” is one legal entity, there should only be one agency of the State applying and only one proposal per State under the RFP.

Date Posted: 5/22/2013

D.24: *Can administrative or engineering expense be included in the proposal and if so, is there a percent limit?*

Answer: Yes. Funding may be budgeted for personnel time for project management, as well as contractual/engineer expenses necessary for successful project completion. Please note that the procurement of commercial contracting services is subject to competitive procurement requirements. Please see Appendix B, Section 9 for a description of budget categories.

Date Posted: 5/22/2013

D.25: *Does your application need to include the serial number of the muffler if you are proposing a DOC retrofit?*

Answer: No. You should include the VIN# of the vehicle in your Applicant Fleet Description, if available.

Date Posted: 5/29/2013

D.26: *If an applicant's project requires explanation to justify eligibility, will the grants.gov application prevent the applicant from explaining why their project is eligible?*

Answer: No. The only reason grants.gov would not accept an application is if it were somehow submitted incorrectly or after the submission deadline. Once the application is received by grants.gov, the application undergoes a two-step review process. The application must first clear the “Threshold Eligibility Criteria” as described in Section III.C of the RFP. The application is then reviewed by a panel and evaluated against the “Evaluation Criteria” in Section V.A of the RFP. If there is information that is necessary to demonstrate the eligibility of the project, the applicant should include this information in the “Short Project Description” section of the Cover Page of their project narrative.

Date Posted: 5/29/2013

D.27: *For a project that is also eligible for a state tax credit, can partners on our grant application claim a state tax credit for their portion of the cost-share? If the grant would cover 40% of an engine replacement, of the 60% that the fleet would be responsible for paying, can they get the state tax credit only on the portion they paid or the total cost?*

Answer: Whether the tax credit is for out-of-pocket cost or the total cost (including EPA's portion) depends on the state's regulations. We recommend contacting your

responsible state agency for guidance on this situation.

Date Posted: 5/29/2013

D.28: *Can school districts list multiple buses on a single proposal or does a grant for each bus need to be submitted separately?*

Answer: Please submit all vehicles in a single proposal. Please note that proposals must meet the funding thresholds listed on page 20 of the RFP.

Date Posted: 6/12/2013

D.29: *Where can I find emissions information to estimate the emissions reductions from my project?*

Answer: To estimate the anticipated emission reductions from your project, you may use the Diesel Emissions Quantifier (DEQ) found at www.epa.gov/cleandiesel/quantifier. From the DEQ results page (example shown below), enter the Lifetime Amount Reduced for each of the listed pollutants (NOx, PM, HC, CO, CO2) in Section 2 "Results – Outputs and Outcomes," of your work plan.

Date Posted: 6/12/2013

D.30: *Who is our proposal submission contact?*

Answer: Proposal submission contacts are listed by EPA region on pages 30-32 of the RFP. Hard copy submissions must be sent using an express delivery service, such as FedEx, UPS, DHL, etc., to the appropriate EPA contact mailing address. You may also submit your complete proposal electronically to EPA through Grants.gov (www.grants.gov).

Date Posted: 6/12/2013

New **D.31:** *What is the title, Funding Opportunity Number, Competition Identification Number, and Catalog of Federal Domestic Assistance number for this grant?*

Answer: The title is National Clean Diesel Funding Assistance Program, FY 2013 Request for Proposals (RFP) and the Funding Opportunity Number is EPA-OAR-OTAQ-13-02. The Competition Identification Number is not applicable. The CFDA number is 66.039.

Date Posted: 6/20/2013

New **D.32:** *When using the quantifier, how should applicants account for fleets that include vehicles with different model years?*

Answer: Vehicles with the same make/model/engine and retrofit technology information can be grouped together into a single DEQ run. Vehicles of different make/model/engine and retrofit technology need to be entered individually. Applicants should run the DEQ for each vehicle, or set of vehicles, within the fleet that will be targeted for reductions, and include each set of results in their proposal.

Date Posted: 6/20/2013

New **D.33:** *In Region 4, will an applicant receive more points for a trucking project along I-95, I-75, I-20, or I-40 than they would for a local school bus project?*

Answer: If the proposed project advances one or more of Region 4's goals and priorities, up to 10 points may be available under Evaluation Criteria 6, Regional Significance. In Region 4, promoting the development of a Regional Green Corridors Program focusing on idle reductions or alternative fueling options for interstate trucking along I-95, I-75, I-20, or I-40 within EPA Region 4 is a priority. School bus projects in Region 4 will not receive points under Evaluation Criteria #6.

Date Posted: 6/20/2013

New **D.34:** *Are samples available for the Cost-Share Commitment Letters or Mandated Measures Justification and Substantiation Letters?*

Answer: No. Sample letters are not available at this time.

Date Posted: 6/20/2013

New **D.35:** *Is there any possibility that the RFP application deadline will be extended?*

Answer: No. The Tuesday, June 25, 2013, deadline will not be extended.

Date Posted: 6/20/2013

New **D.36:** *Is hand delivery of a proposal submission to an EPA regional office qualify acceptable, assuming the proposal submission is delivered to the EPA office by 4:00 pm EDT on Tuesday, June 25, 2013?*

Answer: No, proposals will not be accepted by hand delivery. Hard copy submissions must be sent using an express delivery service, such as FedEx, UPS, DHL, etc., to the appropriate EPA contact listed in the RFP. Overnight delivery is acceptable.

Date Posted: 6/20/2013

New **D.37:** *Our fleet includes buses of various model years. How should we complete the Applicant Fleet Description or run the DEQ to estimate anticipated emission reductions if the exact engine or engine year for the target fleet and replacement vehicle will not be available until the bid process is complete? Would a proportional representation of the existing fleet's MY be acceptable?*

Answer: The applicant should describe, to the extent possible, the fleet(s) targeted for the proposed project and the proposed diesel emission reduction solution(s) applied to each vehicle. If this information is not available, applicants should use their best judgment to estimate based on their existing fleet and proposed diesel emission reduction solution(s). A proportional representation of the existing fleet's MY may be used, however the applicant's proposal should address the process/criteria that will be used to select target vehicles from the fleet, and EPA suggests that applicants prioritize those vehicles that best meet the DERA National Programmatic Priorities outlined in the RFP. The Applicant Fleet Description should describe and document all assumptions. The information provided within the Applicant Fleet Description should then be used to estimate the anticipated emission reductions from the project.

Date Posted: 6/20/2013

E. Project Administration

i. Competitive Procurement Requirements

E.i.1: *After the award or selection, are competitive bids required?*

Answer: Yes. Recipients of EPA grant funds must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of the regulations at 40 CFR Parts 30 or 31, as appropriate. Applicants are not required to identify specific vendors and/or contractors in their proposal. Applicants need only to list the proposed types and number of technologies to be purchased if the project is selected for funding.

Date Posted: 4/17/2013

ii. General

E.ii.1: *If you are proposing to replace a vehicle, can you retrofit the vehicle being replaced and then sell or trade that vehicle?*

Answer: No. Evidence of appropriate disposal (such as a photograph of the scrapped vehicle/equipment), including engine serial number and vehicle identification number (VIN), is required in a final assistance agreement report submitted to EPA. The vehicle being replaced must be scrapped or rendered permanently disabled or returned to the original engine manufacturer for remanufacturing to MY 2007 or newer certified emission standards. Drilling a hole in the engine block and manifold and disabling the chassis is an acceptable scrapping method. Other methods may be considered and will require prior EPA approval. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g. plow blades, shovels, seats, tires, etc.). If scrapped or salvaged or remanufactured engines/vehicles/parts are to be sold, program income requirements apply.

Date Posted: 5/15/2013

E.ii.2: *I understand that an old diesel engine being replaced/repowered by a newer diesel engine cannot be sold in the USA, but can the old diesel engine be sold in a foreign country as is without being upgraded?*

Answer: No, the old engine must be scrapped, or remanufactured before being sold. Please refer to the replacement and repower scrappage requirements in section I.B.2.f and g.

Date Posted: 5/15/2013

E.ii.3: *Since this project period is 2 years, can we split the funding we receive between FY-13 and FY-14 projects?*

Answer: Proposals must include a detailed timeline for the project, including milestones for specific tasks, such as bidding, procurement, installation and reports. If the project budget includes any mandatory or voluntary cost-share (or overmatch), 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. If there is a need to stagger the work due to fiscal budgets, that should not be an issue.

Date Posted: 5/15/2013

E.ii.4: *If "retirement" of a vehicle from current operations would entail selling it to other users rather than destruction, does it qualify for replacement?*

Answer: No, to be eligible for replacement the vehicle must be scrapped, or remanufactured before being sold.

Date Posted: 5/22/2013

E.ii.5: *What is the reporting period for the grant?*

Answer: Grant project periods are typically two years, with quarterly reporting required and a final report required.

Date Posted: 5/22/2013

E.ii.6: *How long after the grant award does the awardee have to acquire the subject vehicle in the case of replacements?*

Answer: Grant project periods are no more than two years. The applicant should include a schedule for project completion as part of the proposal narrative.

Date Posted: 5/22/2013

E.ii.7: *How long must the vehicle/equipment operate within the project location before it could be sold or moved to a different region?*

Answer: Equipment acquired under an assistance agreement will be subject to the use and management and disposition regulations at 40 CFR 30.34 and 31.32, as applicable. Equipment is defined as tangible non-expendable personal property having a useful life of more than one year and an acquisition cost and/or current market value of \$5,000 or more per unit. Certified or verified technologies, vehicles, engines and nonroad equipment are considered to be equipment to the extent they fall within this definition. Grantees agree that at the end of the project period the grantee will continue to use the equipment purchased under the assistance agreement in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds.

Date Posted: 5/29/2013

New E.ii.8: *My understanding is the drayage operating guidelines suggest providing annual updates and records on insurance, maintenance and continued usage as a dray truck for five years. If the project period is only two years, is there a mechanism to recover administrative costs for this monitoring incurred after the project period?*

Answer: No, costs incurred outside the grant project period are not reimbursable under the grant. The drayage operating guidelines at: www.epa.gov/cleandiesel/documents/fy13-sample-drayage-operating-guidelines.pdf are sample guidelines. Grantees are not required to enter into five year partnership agreements with the dray trucks, however, the partnership agreement should at a minimum extend through the grant project period.

Date Posted: 6/20/2013

F. Tribal

F.1: *How does the RFP define tribal agency and intertribal consortium?*

Answer: Federally recognized Indian tribal governments are 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: 5/22/2013

F.2: *Can a State agency submit an application on behalf of a Tribal entity?*

Answer: A State agency may partner with a Tribal entity, however only one organization may be listed as the applicant on the proposal, and that entity is ultimately responsible for the grant. If the State is the applicant, the proposal will be evaluated against all other non-tribal applicants for the Region. If the Tribe is the applicant, the proposal will be evaluated against all other Tribal applications received by the Agency. There are several ways that an eligible entity can then provide funding/benefits to fleet owners, including subgrants, rebates, or partnerships.

Date Posted: 5/22/2013