

AGENCY: Environmental Protection Agency (EPA)

TITLE: National Clean Diesel Funding Assistance Program,
FY 2012 Request for Proposals (RFP)

ACTION: Request for Proposal (RFP) Amendment No. 1

RFP NO: EPA-OAR-OTAQ-12-05

CFDA: 66.039

DATE: May 17, 2012

SUMMARY: This Notice makes 8 corrections, as follows:

Correction #1 – This amendment clarifies the eligibility of Alternative Fuel Conversions for on-highway vehicles. Accordingly, on page 6, Section I.B.2.a.2 now reads as follows:

Engine Upgrades: Generally, an engine upgrade involves the removal of parts on a certified engine configuration and replacement with parts that cause the engine to represent an engine configuration which is certified to meet more stringent federal emission standards. Some engines are able to be upgraded to reduce their emissions by applying manufacturer upgrades that are retrofits verified by EPA or CARB as a package of components demonstrated to achieve specific levels of emission reductions. Some engines are able to be upgraded through the application of a “kit” that is used to rebuild the engine to represent an engine configuration which is certified to meet more stringent federal emission standards. Alternative fuel conversions that are accomplished by applying a certified alternative fuel conversion “kit” to an existing diesel engine are considered engine upgrades under this RFP. Engine upgrades may not be available for all engines, and not all upgrades may achieve an emissions benefit.

Funding can cover up to 50% of the cost (labor and equipment) of an eligible nonroad, locomotive or marine engine upgrade. Funding can cover up to 50% of the cost (labor and equipment) of an eligible on-highway alternative fuel conversion. To be eligible for funding, the upgrade must either be a verified retrofit as described above, or a “kit” that will result in an emissions benefit by rebuilding the engine to represent an engine configuration which is certified to meet more stringent federal emission standards. For an engine to be eligible for an upgrade, the engine must be currently operating and performing its intended function. EPA suggests that the application include a discussion of the availability of engine upgrades and indicate the pre- and post-project emission standard levels of the engines in order to demonstrate that the upgrade will result in an emissions benefit.

NOTE: Certified alternative fuel conversions are the only type of engine upgrade eligible for on-highway engines.

Correction #2 – This amendment clarifies the eligibility of all-electric repowers. Accordingly, on page 8, Section I.B.2.d now reads as follows:

Certified Engine Repowers: “Repower” refers to replacing an existing engine with a newer, cleaner engine that is certified to a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a cleaner fuel and/or the replacement of a nonroad engine with a highway engine. All-electric (i.e zero emission) repowers do not require EPA or CARB certification.

Correction #3 – This amendment clarifies the eligibility of all-electric replacements. Accordingly, on page 8, Section I.B.2.e now reads as follows:

Vehicle and Equipment Replacements: Nonroad and highway diesel vehicles and equipment 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 and, if applicable, CARB to meet a more stringent set of engine emission standards. Replacement projects can include the replacement of diesel vehicles/equipment with newer, cleaner diesel, electric, hybrid or alternative fuel vehicles/equipment.

Correction #4 – This amendment clarifies the requirements for alternative fuel repowers and upgrades. Accordingly, on page 10, Section I.B.2.g was added and reads as follows:

Requirements for Alternative Fuel Repowers and Upgrades: Conventional, original equipment manufacturer (OEM) diesel vehicles that are altered to operate on propane, natural gas, methane gas, ethanol, or electricity are classified as aftermarket alternative fuel vehicle (AFV) conversions. AFV conversions that are accomplished by applying a certified alternative fuel conversion “kit” to an existing diesel engine are considered engine upgrades under this RFP. AFV conversions that are accomplished by removing and scrapping the existing diesel engine and fueling system and replacing it with a certified AFV engine configuration are considered a repower under this RFP. In the United States, all vehicle conversions (except pure battery electric vehicles) must meet applicable EPA standards. Vehicles operating in California must follow conversion rules issued by CARB.

EPA issues Certificates of Conformity that cover a "test group"—specific vehicle or engine models for certain model years that are modified to operate on an alternative fuel. An aftermarket conversion may only be performed on a vehicle if a Certificate of Conformity or CARB certification has been issued for that vehicle's test group. The EPA refers to a vehicle converter as a "small volume manufacturer." The vehicle converter holds the Certificate of Conformity. An individual or entity wishing to convert a vehicle to operate on an alternative fuel must go through a company or organization associated with a certificate holder, and the work must be performed by a licensed technician associated with that company. It is the responsibility of the certificate holder to ensure the equipment is properly installed. Only certified alternative fueled engines are acceptable,

the EPA engine family must be documented, and all applicable regulatory procedures must be followed in the conversion.

Correction #5 – This amendment clarifies the inclusion of truckstops in the definition of priority areas that receive a disproportionate quantity of air pollution from diesel fleets. Accordingly, on page 11, paragraph 3 of Section I.B.3 now reads as follows:

In addition, priority will be given to non-tribal projects located in areas that receive a disproportionate quantity of air pollution from diesel fleets, including truckstops, ports, rail yards, terminals, construction sites, school bus depots/yards, and distribution centers.

Accordingly, on page 31, Section V.A, Evaluation Criteria 3.b now reads as follows:

(8 points) 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.

Accordingly, on page 42, Section 3 now reads as follows:

This section of the work plan must address the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized, as described in **Appendix D** of this announcement, and if the vehicles are located in the following areas of highly concentrated diesel pollution – truckstops, ports, rail yards, terminals, construction sites, school bus depots/yards, or distribution centers. If a single proposal includes vehicles operating in more than one county or area, this section of the work plan should indicate where each vehicle will be operating.

Correction #6 – This amendment removes the funding restriction for technologies on the “Formerly Verified Emerging Technologies List”. Accordingly, on page 21, Section III.D.3 now reads as follows:

No funds awarded under this RFP shall be used for retrofit technologies on EPA’s or CARB’s, “Formerly Verified Technologies” lists. EPA’s formerly verified list can be found at: www.epa.gov/cleandiesel/verification/deleted-list.htm, and CARB’s formerly verified lists can be found at: www.arb.ca.gov/diesel/verdev/vt/fv1.htm, www.arb.ca.gov/diesel/verdev/vt/fv2.htm, and www.arb.ca.gov/diesel/verdev/vt/fv3.htm. No funds awarded under this RFP shall be used for idle reduction technologies on EPA’s “Previously Verified Idle Reduction Technologies” list that can be found at: www.epa.gov/smartway/technology/idling.htm. No funds awarded under this RFP shall be used for technologies on the Emerging Technologies list which can be found at: www.epa.gov/cleandiesel/verification/emerg-list.htm.

Correction #7 – This amendment clarifies the scoring methodology for adding aerodynamics and/or low rolling resistance tires to on-highway vehicles. Accordingly, on page 50, the footnote to Table A now reads as follows:

* If a new eligible verified idle reduction technology and/or aerodynamic technology(s) and/or low rolling resistance tires are combined on the same vehicle with a new eligible verified exhaust control, add two points to the score, up to a maximum of 20 points.

Correction #8 – This amendment clarifies the scoring methodology for adding idle-reduction technology to a locomotive. Accordingly, on page 52, the footnote to Table D now reads as follows:

* If a new eligible verified idle reduction technology or shore connection system is added to a newly repowered, replaced, or upgraded locomotive engine, that locomotive engine will receive 20 points under this criterion.

Correction #8 – This amendment clarifies the scoring methodology for adding idle-reduction technology to a marine engine. Accordingly, on page 53, the footnote to Table E now reads as follows:

* If a new eligible verified shore connection system is added to a newly repowered, replaced, or upgraded marine engine, that marine engine will receive 20 points under this criterion.