

# EPA's Clean Diesel Funding Assistance Program

FY 2015 Request for Proposals Information Session

---

We will begin the webinar shortly.

YOU MAY USE YOUR COMPUTER'S SPEAKERS FOR AUDIO.

If you prefer to hear audio through your phone line, please dial 1-866-299-3188, code: 3439147#.

All lines will be muted. Please type your questions into the question box at any time and we will address as many as possible after the presentation.

If we are unable to answer your question at this time, we will list all questions and answers in the FAQ document available at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

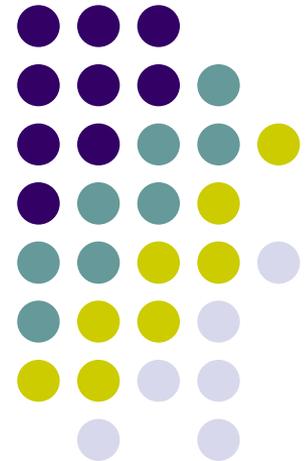
Handouts for this presentation are available at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

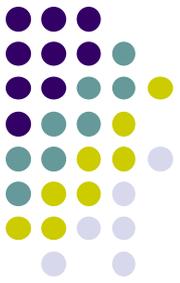
# Clean Diesel Funding Assistance Program FY 2015

Request for Proposals  
Information Session



**National Clean Diesel Campaign**





# Why Clean Diesel?

- Diesel engines are the workhorses of the nation; millions of diesel engines already in use continue to emit large amounts of nitrogen oxides, particulate matter and air toxics
- These emissions are linked to premature deaths, asthma attacks, lost work days, and other health impacts every year

# Diesel Emissions Reduction Act



- DERA originally authorized under the Energy Policy Act of 2005
- Amended by the Diesel Emissions Reduction Act of 2010 (Public Law 111-364)
- Enables EPA to offer funding assistance
  - Goal to reduce diesel emissions
  - Competitive process for eligible entities
  - Authorized through 2016

# Basic Information



- National Funding Assistance Program
  - Estimated Fiscal Year 2015 funding - **\$13.5 million**
  - RFP available at  
[www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm)
- Due Monday, June 15, 2015
- Proposals must be submitted electronically via  
[www.grants.gov](http://www.grants.gov)
- Submission instructions in Section IV of RFP

# Eligible Entities (Section III.A)



- Regional, state, local, tribal or port agency with jurisdiction over transportation or air quality; and
- Nonprofit organization or institution which
  - Represents or provides pollution reduction or educational services to persons or organizations that operate diesel fleets; or
  - Has, as its principle purpose, the promotion of transportation or air quality
- For-profits and individuals can benefit through partnerships with eligible entities



# Proposal Submission Limit

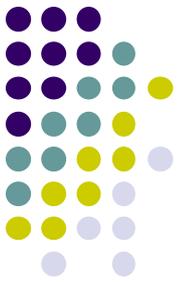
- There is a limit on the number of proposals an applicant may submit
  - Applicants may submit no more than TWO proposals nationally
  - Maximum of one proposal per Region
- Applicants submitting more proposals than the limit will be requested to withdraw the extra proposals



# Eligible Grant Amount

- Each Regional Office specifies their own funding ranges (Section II.A)
- Each proposal must be for a requested amount within that specified range
- This amount could dictate the size and type of your project (e.g., how many vehicles, what type of technology, etc.)

# Eligible Vehicles, Engines & Equipment (Section I.B.1)



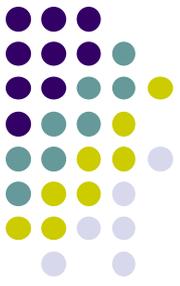
- May include, but are not limited to
  - Buses;
  - Class 5 – Class 8 heavy-duty highway vehicles;
  - Marine engines;
  - Locomotives; and
  - Non-road engines, equipment or vehicles used in:
    - Construction; Handling of cargo (including at a port or airport); Agriculture; Mining; or Energy production (including stationary generators and pumps)

# Eligible Projects (Section I.B.2)



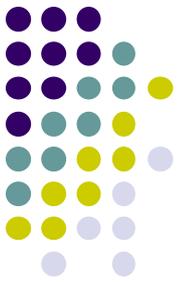
- Verified Exhaust Control Technologies
- Verified/Certified Engine Upgrades
- Verified/Certified Cleaner Fuel Use
- Verified Idle Reduction Technologies
  - Auxiliary Power Units, Fuel Operated Heaters, etc.
  - Also includes shore connection systems and electrified parking spaces
- Verified Aerodynamic Technologies & Low Rolling Resistance Tires
  - Trailer side skirts, trailer gap reducers, tires, etc.
- Certified Engine Repowers
- Vehicle and Equipment Replacement

# Project Funding Percentage (Section I.B.2)



- Exhaust Controls - up to 100% of the cost
  - Diesel Oxidation Catalysts, Diesel Particulate Filters, etc.
- Engine Upgrades - up to 40% of the cost
- Cleaner Fuels - cost differential between conventional fuel and cleaner fuel
  - EPA will NOT fund stand alone cleaner fuel use

# Project Funding Percentage (Section I.B.2)



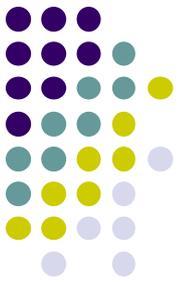
- Verified Idle Reduction Technologies
  - EPA will NOT fund stand alone idle reduction technologies EXCEPT:
    - Locomotive idle reduction up to 40% of the cost
    - Shore connection systems (locomotive and marine) up to 25% of the cost
    - Electrified parking spaces (truck stop electrification) up to 25% of the cost
    - Idle reduction technologies on school buses with model year 2006 or older engines that have been previously retrofitted, up to 100%
  - Other idle reduction projects - 100% when combined on the same vehicle with new eligible verified exhaust control funded under this RFP
    - Example: Auxiliary Power Unit AND Diesel Particulate Filter on a truck

# Project Funding Percentage (Section I.B.2)



- Verified Aerodynamic Technologies (Aero) and Low Rolling Resistance Tires (Tires)
  - EPA will NOT fund stand-alone Aero and/or Tires projects
  - If Aero and/or Tires are combined on the same vehicle with a verified exhaust control technology funded under this RFP, EPA will fund up to 100% of the cost of all technologies
    - Example: Low Rolling Resistance Tires AND Diesel Particulate Filter on a truck

# Project Funding Percentage (Section I.B.2)



- Certified Engine Repowers
  - EPA will fund up to 40% of the cost (labor and equipment)
- Vehicle and Equipment Replacements
  - Drayage Vehicles - up to 50% of the cost
  - All other vehicles/equipment - up to 25% of the cost

# Repower and Replacement Criteria (Section I.B.2)



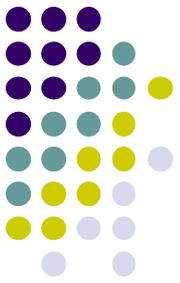
- Nonroad: Horsepower increases of more than 25 percent will require specific approval by EPA prior to purchase, and the applicant may be required to pay the additional costs associated with the higher horsepower equipment.
- Highway: The replacement vehicle must not be in a larger weight class than the existing vehicle (Class 5, 6, 7, or 8). The engine's primary intended service class must match the replacement vehicle's weight class (i.e. a LHD diesel engine is used in a vehicle with GVWR 16,001 – 19,500 pounds, a MHD diesel engine is used in a vehicle with a GVWR of 19,501 – 33,000 pounds, and an HHD diesel engine is used in a vehicle with a GVWR greater than 33,000 pounds.) Exceptions may be granted for vocational purposes, however the GVWR must stay within 10 percent of the engine's intended service class and any exceptions will require specific EPA approval prior to purchase.

# Repower and Replacement Criteria (Section I.B.2)



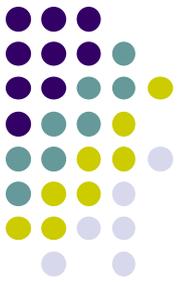
- The engine and/or vehicle or equipment being replaced must be scrapped or rendered permanently disabled within 90 days of being replaced.
- Repowers and replacements that would have occurred through normal attrition within 3 years of the project start date are considered to be the result of normal fleet turnover and are not eligible for funding under this program.

# Funding Restrictions (Section III.D)



- Funding restrictions for vehicles and equipment (Section III.D)
  - On-highway vehicles with a model year 1992 or older are NOT eligible
  - Nonroad equipment that operate less than 500 hours/year or with less than 7 years remaining useful life are NOT eligible
    - APPENDIX E of the RFP includes a table listing those nonroad engine model years EPA has determined to have at least 7 years of useful life remaining
  - Locomotives and Marine engines that operate less than 1000 hours/year are NOT eligible.
  - Minimum usage requirements for marine and locomotive shore connection systems

# Funding Restrictions Cont'd (Section III.D)

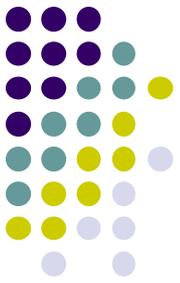


- Marine and Nonroad repower/ replacement projects are eligible based on the original tier level and the new tier level

- Not all projects are eligible

			Repowered or Replaced New 2014 Certified Engine				
			Tier 0/ Unregulated	Tier 1	Tier 2	Tier 3	Tier 4
Current Engine Tier	Tier 0/ Unregulated	Marine	NO	NO	NO	YES	YES
		Other nonroad	NO	NO	NO	NO	YES
	Tier 1	Marine	NO	NO	NO	YES	YES
		Other nonroad	NO	NO	NO	NO	YES
	Tier 2	Marine	NO	NO	NO	YES	YES
		Other nonroad	NO	NO	NO	NO	YES
	Tier 3	Marine	NO	NO	NO	NO	NO
		Other nonroad	NO	NO	NO	NO	YES

# Funding Restrictions Cont'd (Section III.D)



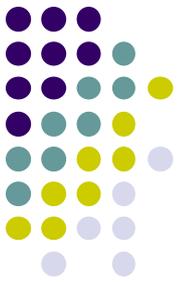
- Locomotive repower projects are eligible based on the original tier level and the new tier level
  - Not all projects are eligible

			New Locomotive Tier				
			Tier 0+	Tier 1+	Tier 2+	Tier 3	Tier 4
Current Locomotive Tier	Tier 0/ Unregulated	Locomotive	NO	NO	NO	YES	Yes
	Tier 0+/1	Locomotive	NO	NO	NO	YES	YES
	Tier 1+	Locomotive	NO	NO	NO	YES	YES
	Tier 2	Locomotive	NO	NO	NO	YES	YES*
	Tier 2+	Locomotive	NO	NO	NO	YES*	YES*

\* Applies to switcher locomotives only

# Funding Restrictions Cont'd

## (Section III.D)



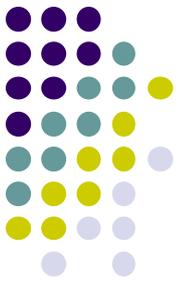
- **Restriction for Mandated Measures:** No funds awarded under this RFP shall be used to fund the costs of emission reductions that are mandated under federal law.
- EPA's locomotive and marine rule, "Control of Emissions of Air Pollution from Locomotives and Marine Compression-Ignition Engines Less than 30 liters per Cylinder"
- EPA's RICE rule, "National Emission Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (40 CFR Part 63 Subpart ZZZZ)"

# Restriction for Mandated Measures Con't



- Proposals which include locomotives and/or marine engines and/or stationary 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:
  - the target locomotives and/or marine engines are exempt from the requirements of the rule; and/or
  - emission reductions funded with EPA funds will be implemented prior to the effective date of any applicable requirements under the rule; and/or
  - 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.

# Restriction for Mandated Measures Con't



- 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 11-page limit. Please see Appendix D of the RFP for additional information.



# Reminder!

- You may use your computer's speakers for audio.
- If you prefer to hear audio through your phone line, please dial 1-866-299-3188, code: 3439147#.
- All lines are muted. Please type your questions into the question box at this time and we will address as many as possible after the presentation.
- If we are unable to answer your question at this time, we will list all questions and answers in the FAQ document available at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

# Proposal Submission



- Submit proposals electronically via [www.grants.gov](http://www.grants.gov)
- If not currently registered with Grants.gov, designate an Authorized Organization Representative (AOR) and begin the registration process as soon as possible.
- The registration process requires that your organization have a DUNS number and a current registration with the System for Award Management (SAM) and the process of obtaining both could take several weeks.

# Proposal Submission



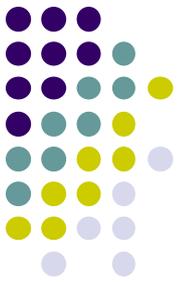
- Applicants must indicate in their proposal the EPA regional office from which they are requesting funding.
- Applicants should request funding from the EPA regional office which covers their geographic project location.
- The term “project location” as used in this RFP refers to the primary area where the affected vehicles operate, or the primary area where the emissions benefits of the project will be realized.
- For long-distance fleets, the applicant should decide which Region the proposal should be submitted to and provide justification as to why that Region was selected - whether it is the Region where the fleet is based, or operates the majority of the time, or other factors that would justify award in that Region.



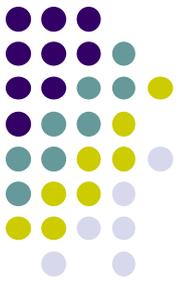
# Proposal Evaluation Process

- Step 1: Threshold Criteria Review (Section III.C)
  - Must meet ALL 6 threshold criteria to move on to Step 2
- Step 2: Evaluation Criteria (Section V.A)
  - Ten evaluation criteria – points assigned to each
  - 145 points possible

# Proposal Selection Process



- Given numerical score and rank-ordered (following Steps 1 and 2, discussed previously)
- Funding Recommendation provided to EPA Approving Official
- EPA Approving Official considers rank and may consider Other Factors (Section V.C), then selects proposals to fund

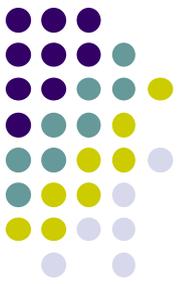


# Evaluation Criteria (Section V.A)

Criteria	Points
Project Summary Approach	25
Project Location	30
Project Sector	15
Benefits to the Community	5
Community Engagement and Partnerships	5
Project Sustainability	5
Environmental Results – Outputs, Outcomes, and Performance Measures	20
Programmatic Capability and Past Performance	20
Budget	15
Applicant Fleet Description	5

# Evaluation Criteria (Section V.A.2)

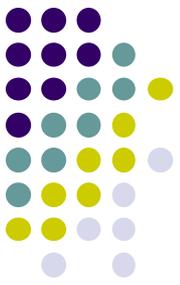
## Project Location



- Proposals will be evaluated based on the location of the project
  - (5 points) Whether the proposal includes a detailed description of the primary areas where the affected vehicle/engine operate, or the primary area where the emissions benefits of the project will be realized.
  - (15 points) Projects located in an Ozone or PM2.5 Nonattainment or Maintenance area
  - (10 points) Projects located in an area where all or part of the population is exposed to more than 2.0  $\mu\text{g}/\text{m}^3$  of diesel particulate matter emissions
  - [www.epa.gov/cleandiesel/documents/fy15-county-area-list.pdf](http://www.epa.gov/cleandiesel/documents/fy15-county-area-list.pdf)

# Evaluation Criteria (Section V.A.3)

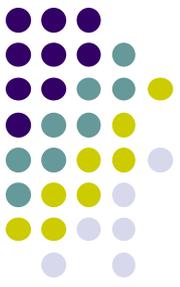
## Project Sector



- Proposals will be evaluated on the targeted sector of the project
  - (5 points) Whether the proposal includes a detailed description of the economic sector served by the project
  - (10 points) Whether the vehicles/engines/equipment targeted for diesel emission reductions are located at, or service, goods movement facilities such as: ports, rail yards, terminals, or distribution centers, as described in Section I.B.3.b. of the RFP

# Evaluation Criteria (Section V.A.4)

## Benefits to the Community



- Applicants will be evaluated based on the quality and extent to which their proposal demonstrates how the proposed project will address the needs and concerns of local communities, including any communities or populations that have faced or are facing environmental justice concerns (as defined in Section I.B.3.c of the RFP), and/or other interested parties, groups, or populations that are affected, or have been affected, by the environmental and/or other issues that the project is intended to address.
- The extent that a project will maximize public health benefits depends on both the population that will experience improvements in air quality due to the project, and the amount of emission reductions that will take place. Proposals should therefore describe both the population that will be affected by the project and how they will directly benefit from emission reductions that will result from the project.

# Evaluation Criteria (Section V.A.5)

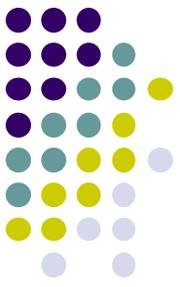
## Community Engagement and Partnerships



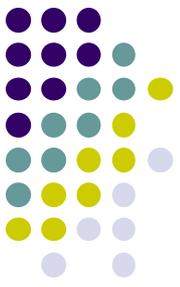
- Under this criterion, proposals will be evaluated based on the extent and quality of the applicant's efforts and plans for engaging local communities with respect to the design and performance of the project and obtaining support from project partners to more effectively perform the project, as described in Section I.B.3.d of the RFP.
- Community engagement and partnership efforts should include various organizations representing a broad spectrum of the community; examples include grassroots, neighborhood, school, faith-based, city council, business, local government, and other organizations.

# Evaluation Criteria (Section V.A.6)

## Project Sustainability



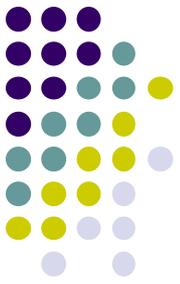
- Proposals will be evaluated based on the extent and quality to which the applicant can demonstrate its ability to promote and continue efforts to reduce emissions after EPA funding for this project has ended.
- This could include, but is not limited to: the project's inclusion in a broader-based environmental or air quality plan; the implementation of idle-reduction policies; the implementation of contract specifications requiring the use of cleaner vehicles and equipment; or a documented commitment to continue to identify and address air quality issues in the affected community.



# Cost-Share (Section III.B)

- Types of Cost-Share:
  - Mandatory and Voluntary (overmatch)
- Must be included on SF-424 & SF 424A forms and in the proposal budget
- The proposal must describe how and when the applicant will obtain the cost-share and how the cost-share funding will be used
- If the proposed cost-share is to be provided by a project partner, a letter of commitment is required

# Consultant, Contractor & Vendor Participation



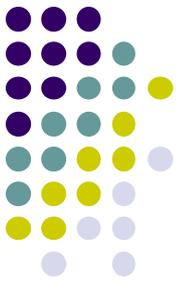
- Grantees must compete contracts for services and products.
- Applicants are not required to identify contractors, consultants, or vendors in their proposal.
- Naming a specific contractor, consultant or vendor in the proposal does not relieve the applicant of its obligations to comply with competitive procurement requirements.
- Applicants may not award sole source contracts to consultants, contractors or vendors assisting applicants with the proposal solely based on the firm's role in preparing the proposal.

# Potential Pitfalls



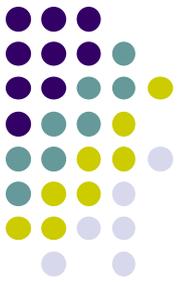
- Project changes mid-stream are not likely to be allowed
  - Potential competition issues – scores are based on vehicles/technologies/locations as proposed
- Vehicle & technology options & limitations
  - Not all technology combinations are appropriate for all vehicles
    - i.e. DPFs must meet exhaust temperature thresholds
  - Do as much homework ahead of time as possible to avoid complications

# Potential Pitfalls



- Thoroughly plan and document engine upgrades & repowers
  - Upgrades & repowers must achieve reductions based on verified levels or to more stringent standards
  - Many older vehicles cannot accept current technology engines
  - Complete, new emission control systems must be included
  - Make sure to check model years and tiers of proposed engines to make sure they're eligible for funding

# Potential Pitfalls



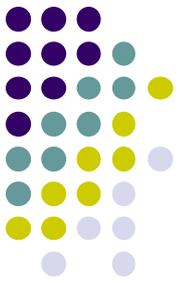
- Technology must be verified for *specific type* of vehicle and model year – check the EPA and CARB verified technologies lists!
  - Review verification letters, attachments & criteria
  - Thoroughly evaluate candidate vehicles
  - Obtain detailed documentation from vendors

# Tools and Resources



- Applicant Fleet Description
  - Required part of the proposal – describes fleet in detail
  - Sample available at [www.epa.gov/cleandiesel/documents/fy15-afd-sample.xls](http://www.epa.gov/cleandiesel/documents/fy15-afd-sample.xls)
- Project Narrative Sample Format
  - [www.epa.gov/cleandiesel/documents/fy15-narrative-sample.doc](http://www.epa.gov/cleandiesel/documents/fy15-narrative-sample.doc)
- Priority County and Area List
  - [www.epa.gov/cleandiesel/documents/fy15-county-area-list.pdf](http://www.epa.gov/cleandiesel/documents/fy15-county-area-list.pdf)
- Model Years for Eligible Nonroad Engines and Equipment
  - APPENDIX E of the RFP
- Diesel Emissions Quantifier (DEQ)
  - Can be used to show expected project results, cost-effectiveness
  - [www.epa.gov/otaq/diesel/resources.htm](http://www.epa.gov/otaq/diesel/resources.htm)
- Technology Tips Guide
  - Helpful info about each type of project, technical issues to look out for, etc.
  - [www.epa.gov/cleandiesel/documents/420p11001.pdf](http://www.epa.gov/cleandiesel/documents/420p11001.pdf)

# Additional Support



- Frequently Asked Questions
  - Posted weekly, on webpage
  - List will include questions from today's webinar
  - Deadline for submitting questions is Friday, June 5, 2015
  - Submit questions via email to [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov) or 1-877-NCDC-FACTS (1-877-623-2322)
    - Type "RFP Question" in the subject line of email

<http://www.epa.gov/cleandiesel/prgnational.htm>

# Thank You!

## FY 2015 Request for Proposals Information Session

All lines are muted. Please type your questions into the question box at this time and we will address as many as possible.

If we are unable to answer your question at this time, we will list all questions and answers in the FAQ document available at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

Handouts for this presentation are available at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

This webinar was recorded and will be posted at [www.epa.gov/cleandiesel/prgnational.htm](http://www.epa.gov/cleandiesel/prgnational.htm).

