

Questions and Answers: Clean Diesel Funding Assistance Program FY 2019 (RFA# EPA-OAR-OTAQ-19-01)

Monday, March 25, 2019

The following Questions and Answers have been compiled for the benefit of organizations considering applying for a grant under the above Request for Applications (RFA).

- A. Applicant Eligibility
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 - i. Engine Retrofits
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- D. Application Process
- E. Project Administration
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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 individuals or private companies apply for funding under this competition?*

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

Date Posted: 12/19/2018

A.2: *Can a privately-owned fleet receive funding? Are there specific entities that private companies must partner with?*

Answer: Only eligible entities as defined in the RFA are eligible to apply directly to EPA for funding under this RFA. 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. 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 emissions reduction projects. There are several ways that an eligible entity can provide funding/benefits to fleet owners, including subawards, rebates, or partnerships. Fleet owners interested in partnering with eligible entities may participate in EPA's Regional Diesel Collaboratives (www.epa.gov/cleandiesel/epa-regions-clean-diesel-collaboratives) to find networking opportunities.

Date Posted: 12/19/2018

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

Answer: Manufacturers are not eligible to apply directly to EPA for funding. Manufacturers who would like to have their retrofit products eligible for purchase by recipients of this grant program must be listed on EPA or CARB's verified retrofit technology list. An overview of EPA's Verification Process is available at www.epa.gov/verified-diesel-tech/learn-about-verified-technologies-clean-diesel. Funding under this program is not available for product testing/verification.

Date Posted: 12/19/2018

A.4: *Are school districts eligible for this funding opportunity?*

Answer: Public school districts are generally eligible entities. 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. The term "jurisdiction" in this context is generally defined as the ability to make decisions which impact transportation or air quality. For example, a school district would be eligible because it is a state or local agency which owns and/or operates diesel fleets and it is responsible for decisions regarding transportation of students.

Date Posted: 12/19/2018

A.5: *Are federal agencies, including U.S. military installations, eligible to apply for funding?*

Answer: No, federal agencies are not eligible.

Date Posted: 12/19/2018

A.6: *Are we eligible to apply if we have received DERA funding through another opportunity?*

Answer: Yes, you may apply for funding under this funding opportunity. Participation in one program does not preclude you from participating in others; however, an applicant may not accept funding from multiple programs for the same vehicle.

Date Posted: 12/19/2018

A.7: *Are Tribal entities eligible to apply for the National RFA? How do the National and Tribal RFAs differ?*

Answer: Tribes are eligible to apply under the National RFA and the Tribal RFA. Under the Tribal RFA, competition is limited to eligible Tribal entities. Under the National RFA, Tribal entities are competing against all eligible entities. The Tribal RFA typically offers increased flexibility and larger EPA cost-shares for certain types of engines and technologies. Applying to the National program does not prevent Tribes from applying to the Tribal program as well. Note: If a Tribe is awarded funds under one funding opportunity, that tribe would not be eligible to receive funding under the other funding opportunity for the same projects/vehicles.

Date Posted: 12/19/2018

A.8: *Is a nonprofit sending Veterans and unemployed individuals to truck driving school an eligible entity?*

Answer: To be eligible, nonprofit entities must be able to demonstrate in their application that they either: 1) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or 2) have, as their principal purpose, the promotion of transportation or air quality.

Date Posted: 2/14/2019

A.9: *Are rural communities eligible to apply?*

Answer: Yes, local agencies in rural areas are eligible to apply.

Date Posted: 2/28/2019

A.10: *Are religious nonprofit organizations or schools eligible?*

Answer: It depends. Eligible nonprofit organizations or institutions are those 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. The applicant must demonstrate the mission and objectives of the organization are in-line with the eligibility criteria.

Date Posted: 2/28/2019

B. Project Eligibility

i. Engine Retrofits

B.i.1: *Are engine retrofit technologies required to have EPA/CARB verification prior to application submission?*

Answer: The type of engine retrofit technology (e.g., DOC, DPF, SCR, upgrade kit, etc.) proposed for funding must be verified by either EPA or CARB for use on the specific vehicle/engine specified in the application at the time of application submission to EPA. The actual exhaust control technology used by the grant recipient must be specifically named on EPA or CARB's Verified Engine Retrofit Technologies lists at the time of acquisition, and used only for the specific vehicle/engine for which it is verified.

Date Posted: 12/19/2018

B.i.2: *Can funds be used to replace existing engine retrofit technologies (DOCs, DPFs)?*

Answer: Funding cannot be used to replace an existing engine retrofit technology.

Date Posted: 12/19/2018

ii. Engine Upgrades and Remanufacture Systems

B.ii.1: *Can funds be used to upgrade diesel generators using a dynamic gas blend kit? The kit will allow the engines to run, post-retrofit, on 70% natural gas.*

Answer: Some nonroad and marine engines can be upgraded to reduce their emissions by applying manufacturer upgrades that are diesel engine retrofits currently verified by EPA or CARB as a package of components demonstrated to achieve specific levels of emissions reductions. Some locomotives and marine engines can be upgraded through the application of a certified remanufacture system that is used to rebuild the engine to represent a cleaner engine configuration. Engine upgrades may not be available for all engines, and not all upgrades may achieve an emissions benefit. Funding can cover up to 40% of the cost (labor and equipment) of an eligible nonroad, locomotive or marine engine upgrade. To be eligible for funding, the upgrade must either be a verified retrofit as described above, or a certified remanufacture system that will result in a significant emissions benefit by rebuilding the engine to a cleaner engine configuration. For an engine to be eligible for an upgrade, the engine must be currently operating and performing its intended function. A list of eligible, EPA verified engine upgrade technologies is available at: www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel. Lists of certified remanufacture systems for locomotives and marine engines are available at: www.epa.gov/compliance-and-fuel-economy-data/engine-certification-data, and additional information on remanufacture systems, are available at: www.epa.gov/vehicle-and-engine-certification/remanufacture-systems-category-1-and-2-marine-diesel-engines. Engine upgrades proposed for funding under this category must exist on one of these lists for the specific vehicle/engine application specified in the application at the time of application submission to EPA. If selected for funding, the actual engine upgrades used by the grant recipient must be specifically named on EPA's list of certified remanufacture systems or EPA or CARB's Verified Technologies lists at the time of acquisition and used only for the vehicle/engine applications specified on the lists, to be eligible for funding.

Date Posted: 2/21/2019

iii. Cleaner Fuels and Additives

B.iii.1: *Are projects for fueling infrastructure for the production and distribution of fuel (compressed natural gas, biodiesel, etc.) eligible?*

Answer: No. Funding will not be awarded for fueling infrastructure projects.

Date Posted: 12/19/2018

B.iii.2: *Which fuels are considered cleaner fuels?*

Answer: Eligible cleaner fuels and additives are limited to those verified by EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine, such as biodiesel.

Date Posted: 12/19/2018

iv. Idle Reduction

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

Answer: Yes. Idle reduction projects are eligible for funding. For highway vehicles, EPA will fund up to 100% of the cost (labor and equipment) for idle reduction technologies on long haul Class 8 trucks and school buses if combined on the same vehicle with eligible verified engine retrofit technologies. EPA will fund up to 25% of the cost of stand-alone idle reduction technology installations. Lists of eligible, EPA verified idle reduction technologies are available at www.epa.gov/verified-diesel-tech/smartway-technology.

Date Posted: 12/19/2018

B.iv.2: *Is adding electrified parking spaces to a truck stop eligible?*

Answer: Yes. EPA will fund up to 30% of the cost (labor and equipment) of eligible electrified parking space technologies, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. This includes the installation (i.e., construction) of electrical infrastructure to support the EPS technology.

Date Posted: 12/19/2018

B.iv.3: *Which highway vehicles are eligible for idle reduction projects?*

Answer: SmartWay-verified idle reduction technologies are available only for long-haul, Class 8 trucks and school buses. Please see the SmartWay verified list at www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school.

Date Posted: 12/19/2018

B.iv.4: *Is a marine shore power system eligible for funding?*

Answer: Yes. Funding can cover up to 25% of the cost (labor and equipment) of eligible marine shore power connection systems, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional.

Date Posted: 12/19/2018

B.iv.5: *Is installing electrical infrastructure an eligible cost for shore connection systems for locomotives?*

Answer: Yes, EPA will fund up to 40% of the cost (labor and equipment) of eligible locomotive shore connections, including the cost of installation of electrical infrastructure to support the shore connection technology. DERA funds cannot be used for a wider-scale electrification of a site (i.e., the infrastructure costs included in the grant budget must only support the shore connection system).

Date Posted: 2/14/2019

B.iv.6: *Is installing an APU device on a Class 5 - Class 8 heavy-duty highway vehicles with engine model year 1995-2006 eligible?*

Answer: APUs are eligible on Class 5 - Class 8 heavy-duty highway vehicles with engine model years 1996-2006.

Date Posted: 2/21/2019

B.iv.7: *Is funding for electrified parking spaces available without scrapping an engine?*

Answer: Yes. Scrappage is only required for replacements. Electrified parking space projects fall under idle reduction technologies and don't require scrappage.

Date Posted: 2/21/2019

B.iv.8: *Is installing a replacement APU on a locomotive eligible for funding?*

Answer: No. Funding cannot be used for the purchase of engine retrofits, idle reduction technologies, low rolling resistance tires or advanced aerodynamic technologies if similar technologies have previously been installed on the vehicle.

Date Posted: 2/28/2019

New B.iv.9: *To apply a common policy across our terminals and avoid putting terminals at a competitive disadvantage, our port's shore power policy allows for voluntary shore power use until all terminals have shore power capability. At that time, capable vessels would be required to connect. Would shore power projects be eligible for funding in this case?*

Answer: It is difficult to make a final eligibility determination prior to reviewing the full application. Whether EPA will allow this is dependent on the strength of the policy which will require full compliance in the future, the timeline for full implementation/compliance across the terminals, assurances that the tenants are moving towards shorepower, and that Port will continue efforts to increase voluntary adoption.

Date Posted: 3/25/2019

v. Aerodynamics and Tires

No questions at this time.

vi. Engine Replacements

B.vi.1: *For engine replacements, do eligible costs include items required in addition to the new engine (such as gears, controls, and shipyard costs)?*

Answer: Yes. Charges for equipment and parts on engine replacement projects are eligible for funding if they are included in the certified engine configuration and/or are required to ensure the effective installation and functioning of the new technology, but are not part of typical vehicle or equipment maintenance or repair. The eligible cost of engine replacement includes the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional, including related labor expenses. Examples of ineligible engine replacement costs include, but are not limited to: tires, cabs, axles, paint, brakes, and mufflers. Shipyard costs are also eligible and should be included in the "other" cost category in applications.

Date Posted: 12/19/2018

B.vi.2: *Will this grant cover 100% of the cost of an engine replacement in a truck?*

Answer: No. EPA will fund: up to 40% of the cost (labor and equipment) of replacing a diesel engine with a diesel or alternative fueled engine (including hybrids) certified to EPA emission standards; up to 50% of the cost of replacing diesel engine with an engine certified to meet CARB's Optional Low-NOx Standards; up to 60% of the cost (labor and equipment) of replacing a diesel engine with a zero tailpipe emissions power source (grid, battery, or fuel cell).

Date Posted: 12/19/2018

B.vi.3: *May I replace a nonroad diesel compression ignition engine with a newer diesel compression ignition engine under this grant?*

Answer: Yes, you may replace an eligible non-road diesel compression ignition engine with an eligible new compression ignition engine, spark ignition engine, or zero tailpipe emission power source. See Section III.D. of the RFA for non-road engine funding restrictions.

Date Posted: 2/21/2019

New B.vi.4: *Is a Tier 2 marine engine eligible for replacement with a Tier 4 marine engine?*

Answer: Yes.

Date Posted: 3/25/2019

vii. Vehicle/Equipment Replacements

B.vii.1: *Can highway diesel vehicles be replaced with vehicles fueled by CNG, LNG, propane, or other alternative fuels? At what funding level?*

Answer: Yes, eligible medium and heavy-duty diesel trucks and buses may be replaced with alternative fueled vehicles as long as the replacement vehicle is powered by a 2016 model year or newer certified engine (2013 or newer for drayage trucks). Vehicle replacements are funded at 25% (or at 35% if the engine is certified to CARB's Optional Low-NOx Standards).

Date Posted: 12/19/2018

B.vii.2: *What types of replacement projects are eligible?*

Answer: Replacement projects can include the replacement of diesel vehicles/equipment with new, cleaner diesel, hybrid or alternative fuel vehicles/equipment such as CNG, LNG or propane, or zero tailpipe emissions technologies such as battery or fuel cell where applicable.

Date Posted: 12/19/2018

B.vii.3: *Are transport refrigeration units (TRUs) eligible for replacement?*

Answer: Yes. Diesel powered TRUs and TRU gen sets are eligible as nonroad equipment replacements if the existing TRU nonroad engine meets the applicable nonroad eligibility criteria. Please refer to the FY 2019 DERA TRU Factsheet available under Supporting Documents at www.epa.gov/cleandiesel/clean-diesel-national-grants for specific information on eligible TRU projects.

Date Posted: 12/19/2018

B.vii.4: *Can funds be used to replace transport refrigeration units (TRUs) with ones that have a compatible plug-in to connect to electrified parking spaces (EPS)?*

Answer: Yes. Eligible diesel powered TRUs may be replaced with electric standby TRUs which meet EPA's Tier 4 emission standards as a nonroad equipment replacement project. Please refer to the FY 2019 DERA TRU Factsheet available under Supporting Documents at www.epa.gov/cleandiesel/clean-diesel-national-grants for specific information on eligible TRU projects.

Date Posted: 12/19/2018

B.vii.5: *Can funding be used to replace a day cab licensed for an 80,000lb gross truck with a day cab licensed for a 90,000lb gross truck?*

Answer: Yes. For highway vehicles, 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 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.

Date Posted: 12/19/2018

B.vii.6: *For highway vehicle replacements, what are the engine requirements for the replacement vehicle?*

Answer: Replacement vehicles must be powered by one of the following:

- 1) A 2016 model year or newer engine certified to EPA emission standards. Highway engine emission standards are on EPA's website at: www.epa.gov/emission-standards-reference-guide/epa-emission-standards-heavy-duty-highway-engines-and-vehicles.
- 2) a 2016 model year or newer engine certified to meet CARB's Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx. Engines certified to CARB's Optional Low NOx Standards may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles, found at: www.arb.ca.gov/msprog/onroad/cert/cert.php.
- 3) A new, zero tailpipe emissions power source.

Date Posted: 12/19/2018

B.vii.7: *Must a fleet replace its oldest eligible vehicles before its newer eligible vehicles?*

Answer: No, any vehicle meeting the eligibility requirements is eligible for funding.

Date Posted: 12/19/2018

B.vii.8: *Is replacing a 2007 - 2009 engine model year vehicle with a 2016+ engine model year vehicle eligible for funding?*

Answer: Yes, A vehicle with engine model years 2007 - 2009 is eligible for replacement with a Vehicle with 2016+ engine model year. Please see Table 2 in Section III.D of the RFA for funding restrictions.

Date Posted: 12/19/2018

B.vii.9: *Are transit buses eligible for hydrogen fuel cell powered bus replacement?*

Answer: Yes. Hydrogen fuel cell vehicles and equipment are eligible as replacements for eligible transit buses, shuttle buses, drayage trucks, terminal tractors/yard hostlers, stationary generators and forklifts.

Date Posted: 12/19/2018

B.vii.10: *What percent of EV charging infrastructure will DERA cover if the infrastructure is combined with vehicles?*

Answer: EPA will fund up to 45% of the cost of an eligible zero tailpipe emissions vehicle or piece of equipment. Eligible replacement costs include, but are not limited to, the purchase and installation of electrical infrastructure or equipment to enable the use of power.

Date Posted: 12/19/2018

B.vii.11: *We understand EPA will fund up to 45% of the cost (labor and equipment) to replace a diesel bus with an electric bus. Is EPA's funding share based on the full vehicle cost or the vehicle cost minus our cost-share?*

Answer: EPA's funding share is based on the full purchase price of the eligible vehicle.

Date Posted: 2/14/2019

B.vii.12: *Does funding cover the cost differential between a new propane vehicle and a diesel one?*

Answer: No. EPA will fund up to 25% percent of the cost of a replacement vehicle powered by an alternative fueled engine certified to EPA emission standards. EPA will fund up to 35% of the cost of a replacement vehicle powered by an alternative fueled engine certified to CARB's optional Low-NOx standards.

Date Posted: 2/14/2019

B.vii.13: *Could a 2010 or newer highway diesel vehicle be replaced with a CNG or LNG powered vehicle?*

Answer: 2010 and newer highway diesel vehicles may be replaced a vehicle powered by a 2016 model year or newer engine certified to meet CARB's Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx. Engines certified to CARB's Optional Low NOx Standards may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles, found at: www.arb.ca.gov/msprog/onroad/cert/cert.php. Many of these engines are CNG/LNG engines. Additionally, a 2010 or newer highway diesel vehicle may be replaced with a new, zero tailpipe emissions vehicle.

Date Posted: 2/21/2019

B.vii.14: *Is re-manufacturing a replaced diesel chassis into an all-electric yard truck an acceptable scrappage method? We would scrap the diesel engine but reuse durable elements such as the cab and frame.*

Answer: In general, no; the chassis and engine must be permanently disabled. However, the RFA states that other acceptable scrappage methods may be considered on a case by case basis and will require prior written approval from the EPA Project Officer. Applicants may propose alternative scrappage plans, however EPA may not allow it. Additionally, if scrapped or salvaged engines, vehicles, equipment, or parts are to be sold, program income requirements apply.

Date Posted: 2/21/2019

B.vii.15: *Table 2 in Section III.D indicates that vehicle and engine replacements should have an EMY 2016+. Is this correct?*

Answer: Yes.

Date Posted: 2/28/2019

B.vii.16: *Is replacing a diesel school bus with a gasoline powered school bus an eligible project?*

Answer: Yes. A new gasoline vehicle is be eligible as a replacement. The applicant should demonstrate the certified emission limits of the new engine, the corresponding emission reductions achieved by the project, and that the new engine meets all other eligibility requirements.

Date Posted: 3/13/2019

B.vii.17: *We would like to replace an eligible piece of nonroad equipment. Are we allowed to scrap the engine in the original unit, install a Tier 4 engine at our own cost, and sell the repowered unit to offset the cost of the new unit?*

Answer: No. This is fleet expansion (see Section III.D.6 of the RFA). However, if the sale of the newly repowered Tier 4-unit results in the scrapping of an older unit, the applicant may propose an alternative scrappage plan per Section III.D.6.d.2 of the RFA.

Date Posted: 3/13/2019

B.vii.18: *Are diesel buses that are replaced with CNG buses funded at 45% under this grant?*

Answer: No. CNG is not a zero-tailpipe emission technology. EPA will fund up to 25% of the cost vehicle certified to EPA emission standards (this includes diesel, gasoline, hybrids, and alternative fuel vehicles such as CNG and propane). EPA will fund up to 35% of a vehicle certified to meet CARB's Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx. Many of these engines are powered by CNG. Engines certified to CARB's Optional Low NOx Standards may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles: www.arb.ca.gov/msprog/onroad/cert/cert.php. EPA will fund up to 45% of the cost of an eligible zero tailpipe emission vehicle (this includes battery and fuel cell vehicles).

Date Posted: 3/13/2019

viii. Clean Alternative Fuel Conversions

B.viii.1: *Are alternative fuel conversions eligible?*

Answer: Yes. Funding can cover up to 40% of the cost (labor and equipment) of an eligible certified or compliant clean alternative fuel conversion. Eligible conversions are limited to those systems that have been certified by EPA and/or CARB, and those systems that have been approved by EPA for Intermediate-Age engines. EPA's lists of "Certified Conversion Systems for New Vehicles and Engines" and "Conversion Systems for Intermediate-Age Vehicles and Engines" are available at www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems; CARB's list of "Approved Alternate Fuel Retrofit Systems" is available at www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm. To be eligible for funding, conversion systems for engine model years 1996-2006 must achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standard of the original engine. To be eligible for funding, conversion systems for engine model years 2007 and newer must achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standard of the original engine.

Date Posted: 12/19/2018

B.viii.2: *May our application propose a clean alternative fuel conversion system currently undergoing EPA certification?*

Answer: Yes. The specific kit does not need to be listed in the application. If selected for funding, the clean alternative fuel conversion used by the grant recipient must be specifically named on one of the following at the time of acquisition: 1) EPA's "Certified Conversion Systems for New Vehicles and Engines" list or "Conversion Systems for Intermediate-Age Vehicles and Engines" list (www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems), or 2) CARB's list of "Approved Alternate Fuel Retrofit Systems" (www3.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm).

Date Posted: 3/13/2019

ix. Miscellaneous

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

Answer: No. Any funding awarded under this announcement must be used for activities that will 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. Expenses incurred prior to the project period set forth in any assistance agreement resulting from this RFA are not eligible as a cost-share for proposed projects.

Date Posted: 12/19/2018

B.ix.2: *What types of hybrid projects are eligible?*

Answer: Hybrids are eligible as full vehicle replacement or as a full engine replacement (i.e., the purchase of an OEM certified engine configuration), or as the installation of a verified retrofit technology (currently only available for certain tugboats and rubber tire gantry cranes). A list of eligible, EPA verified engine retrofit technologies is available at: www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel; a list of eligible, California Air Resources Board (CARB) verified engine retrofit technologies is available at: www.arb.ca.gov/diesel/verdev/vt/cvt.htm.

Date Posted: 12/19/2018

B.ix.3: *Can funds be used for automated emission detection systems or inspection/maintenance facilities?*

Answer: No.

Date Posted: 12/19/2018

B.ix.4: *Is there a list of technologies eligible for funding?*

Answer: Please see Section I.B. Scope of Work, in the RFA for a full description of eligible diesel emissions reduction solutions.

Date Posted: 12/19/2018

B.ix.5: *What projects are eligible for eTRUs and solar TRUs?*

Answer: Eligible diesel powered TRUs may be replaced with new, electric standby TRUs, hybrid electric TRUs, or electric transport refrigerators. Solar, batteries and other range extenders may be included in these TRU configurations.

Date Posted: 12/19/2018

B.ix.6: *Are electric charging stations eligible for funding?*

Answer: Electric vehicle charging infrastructure is not eligible as a standalone project but is eligible as part of an all-electric engine or vehicle replacement project which requires vehicle charging capability for the successful operation of the new equipment.

Date Posted: 12/19/2018

B.ix.7: *May we use funding to purchase propane buses without scrapping any old buses?*

Answer: No. EPA requires that replaced engines, vehicles, and equipment are scrapped to ensure emissions reductions are achieved per Section III.D.9.c of the RFA.

Date Posted: 12/19/2018

B.ix.8: *We would like to replace an eligible vehicle and then convert that replacement vehicle to an alternative fuel using an eligible certified or compliant clean alternative fuel conversion. Is this eligible project and if so, at what funding level?*

Answer: No, EPA will not fund a replacement vehicle and then fund the conversion of that same vehicle. EPA will fund up to 25% of the cost of a replacement vehicle powered by an alternative fueled engine certified to EPA emission standards or 35% for a replacement vehicle powered by an engine certified to CARB's optional Low-NOx standards. EPA will fund up to 40% of the cost of an eligible alternative fuel conversion.

Date Posted: 2/14/2019

B.ix.9: *Can funds be used to both replace an engine and install a DPF filter on the same highway vehicle?*

Answer: Engine replacements must meet the engine model year eligibility criteria and must comprise the certified engine configuration. If a DPF is part of the certified engine configuration, then it must be installed as part of the engine replacement. Funds cannot be used to purchase a pre-DPF engine configuration and then add a DPF to it.

Date Posted: 2/14/2019

B.ix.10: *Is purchase and installation of energy and emissions management software eligible?*

Answer: No.

Date Posted: 2/14/2019

B.ix.11: *Is expanding our fleet with new electric cars eligible?*

Answer: No. New vehicle purchases must replace an existing, older, diesel-powered vehicle. Please note, this RFA doesn't apply to cars, only to heavy-duty vehicles.

Date Posted: 2/21/2019

B.ix.12: *Is marine shore connection only applicable to idle reduction or could it also be applied to battery charging infrastructure?*

Answer: Marine shore connection power is specific to idle reduction and is not the same thing as battery charging infrastructure. Charging infrastructure is not eligible as a stand-alone project under this grant. However, if you are purchasing battery electric powered vehicles or equipment under the grant the charging infrastructure to support those vehicles/equipment is an eligible equipment cost.

Date Posted: 2/21/2019

B.ix.13: *Is purchasing an older diesel bus to modify and show the feasibility of our new technology eligible?*

Answer: No. Funding may be used only for EPA and/or CARB certified engine configurations and verified retrofit/idle reduction technologies. In addition, funds may not be used for research and development.

Date Posted: 2/21/2019

B.ix.14: *Is the purchase and installation of software that improves routing efficiency of a fleet eligible?*

Answer: No.

Date Posted: 2/28/2019

C. Vehicle, Equipment, and Engine Eligibility

C.1: *Is equipment that must be replaced due to a State or Local regulation eligible for funding?*

Answer: Yes. The mandated measures restriction does not apply to replacements that must occur due to a State or Local mandate.

Date Posted: 12/19/2018

C.2: *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles are eligible under this RFA if the applicant meets the definition of an eligible entity.

Date Posted: 12/19/2018

C.3: *Please describe eligible diesel trucks.*

Answer: For the purposes of this RFA, eligible 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). Class 1 - Class 4 vehicles (16,000 lbs or less GVWR) are not eligible.

Date Posted: 12/19/2018

C.4: *What engine model years are eligible?*

Answer: Eligibility varies by engine type. Please see Section III.D of the RFA for specifics: for highway, see Table 2; for nonroad, see Table 3; for marine, see Table 4; and for locomotive, see Table 5.

Date Posted: 12/19/2018

C.5: *What is a “reefer”?*

Answer: Refrigerated (insulated) trailers/containers are sometimes called reefers.

Date Posted: 12/19/2018

C.6: *What is a “transport refrigeration unit”?*

Answer: A transport refrigeration unit (TRU) has a refrigeration system that is mechanically driven by an integral diesel engine. TRUs are installed on an insulated cargo trailers, shipping containers or rail cars and used in transporting temperature sensitive goods. Truck TRUs are used to refrigerate insulated cargo trailers mounted on the frame of a straight truck. Trailer TRUs are used to refrigerate insulated trailers mounted on semitrailers. Railcar TRUs are used to refrigerate insulated railcars. Please refer to the FY 2019 DERA TRU Factsheet available under Supporting Documents at www.epa.gov/cleandiesel/clean-diesel-national-grants for specific information on eligible TRU projects.

Date Posted: 12/19/2018

C.7: *What types of vehicles, engines, and equipment are eligible?*

Answer: Eligible heavy-duty diesel emission source types include school buses, Class 5-8 highway vehicles, marine engines, locomotives, and nonroad engines, equipment or vehicles (used in construction, cargo handling, agriculture, mining, or energy production). Vehicles, engines, and equipment targeted for upgrades must meet all applicable eligibility criteria, as defined in the RFA.

Date Posted: 12/19/2018

C.8: *Must vehicles be licensed and registered to the applicant for a specific time period before they are eligible for this grant?*

Answer: No. While there is no minimum time of vehicle license/registration specified in the RFA, the existing equipment must be fully operational and in current, regular service. Further, the new or upgraded vehicle, engine, or equipment is expected to continue to perform similar function and operation as the vehicle, engine, or equipment that is being replaced.

Date Posted: 12/19/2018

C.9: *How should we treat nonroad equipment powered by two engines to perform a single function in an equipment replacement project? Do we combine the horsepower ratings and operational hours to reflect the overall equipment or treat each engine separately?*

Answer: Each engine should be considered separately for eligibility determination purposes. However, engine hours may be combined to reach the required operation thresholds where two units will be scrapped and replaced with a single engine to do the same work.

Date Posted: 2/14/2019

C.10: *Are diesel forklifts eligible for replacement with electric forklifts?*

Answer: Yes, forklifts are considered nonroad equipment used for cargo handling. Please see Table 3 in Section III.D. of the RFA for nonroad engine funding restrictions. EPA will fund up to 45% of the cost of an eligible zero tailpipe emission vehicle or piece of equipment (i.e., applicants are responsible for cost-sharing at least 55% of the cost).

Date Posted: 2/14/2019

C.11: *Are there any age restrictions for existing Unregulated - Tier 2 marine engines in replacement projects?*

Answer: No, there are no age restrictions for Unregulated - Tier 2 marine engines.

Date Posted: 2/14/2019

C.12: *Has the previous EPA requirement where the old vehicle must not currently be scheduled for retirement within three years been removed from the solicitation?*

Answer: Yes. However, the applicant should include the following information in Section I of their Project Narrative and also in their Applicant Fleet Description: 1) the remaining life of the target engines (estimate of total number of years of engine life remaining at the time of upgrade action, regardless of ownership); and 2) the normal attrition year (year in which the target engines would normally be retired/sold by the fleet owner if not for the grant).

Date Posted: 2/14/2019

C.13: *Does the EPA engine family name indicate if a vehicle is equipped with a DPF?*

Answer: Yes, the EPA engine family name can indicate whether the OEM certified engine configuration included a diesel particulate filter. Please refer to the files on the following page: www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment.

Date Posted: 2/14/2019

C.14: *Is a vehicle eligible if the manufacturer is not on the Verified Technologies List?*

Answer: Vehicle manufacturers do not need to have a product on the Verified Technologies List (www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel). The Verified Technologies List only includes verified aftermarket exhaust control technologies (e.g., DOC, DPF, SCR, upgrade kit, etc.). Please see Section III.D of the RFA for vehicle eligibility.

Date Posted: 2/14/2019

C.15: *Can an eligible entity apply for funds to replace vehicles that are owned and leased out by a private company?*

Answer: Yes, an eligible entity can partner with a private fleet if the owner/lessor agrees to having the work done on their vehicles. Applicants must include information on the ownership and operation of the vehicles.

Date Posted: 2/14/2019

C.16: *Are drayage trucks required to operate only at a single port to be eligible?*

Answer: No. There is no minimum time requirement for operating at a single port location. However, if selected for funding the grant recipient will be required to establish guidelines to ensure that any existing truck replaced with grant funds has a history of operating on a frequent basis over the prior year as a drayage truck and to ensure any new truck purchased with grant funds is operated in a manner consistent with the definition of a drayage truck.

Date Posted: 2/14/2019

C.17: *If we're replacing a locomotive, marine, or nonroad diesel engine with an engine that's older than 2018, what engine model year (EMY) standards must it be certified to? The RFP states both EMY 2018 and EMY 2019.*

Answer: On pages 11 and 13 of the RFA, EMY 2018 is an error and it should read EMY 2019 on those pages. That said, replacement nonroad, locomotive, and marine engines with model year older than 2019 may be used for an engine replacement if the engine is certified to the same emission standards applicable to EMY 2019.

Date Posted: 2/14/2019

C.18: *Are vehicles eligible if they are due for replacement during the project period?*

Answer: The previous EPA requirement where the old vehicle must not currently be scheduled for retirement within three years has been removed from the solicitation. However, the applicant should include the following information in Section I of their Project Narrative and also in their Applicant Fleet Description: 1) the remaining life of the target engines (estimate of total number of years of engine life remaining at the time of upgrade action, regardless of ownership); and 2) the normal attrition year (year in which the target engines would normally be retired/sold by the fleet owner if not for the grant).

Date Posted: 2/21/2019

C.19: *Has EPA revised its current standards to allow diesel generators built after 2014 operating in Alaska to meet less stringent standards for air particulate pollution than the requirements EPA set in 2016?*

Answer: DERA program rules and policy do not supersede regulatory requirements.

Date Posted: 2/21/2019

C.20: *Are charter buses not on a fixed route service eligible for funding?*

Answer: Yes.

Date Posted: 2/21/2019

C.21: *Are law enforcement vehicles or ambulance fleets eligible for verified idle reduction technologies?*

Answer: No. They are currently not any verified devices for emergency or law enforcement vehicles.

Date Posted: 2/21/2019

C.22: *If a fleet operates throughout a certain region, can an eligible old vehicle be replaced by a new one in another state within the same region?*

Answer: The existing equipment must be fully operational and in current, regular service. Further, the new vehicle is assumed to continue to perform the same function and operation as the vehicle, engine, or equipment that is being replaced. It is up to the applicant to provide justification for why the new vehicle would need to operate in a different location. The applicant's justification would be taken into consideration when the proposal is evaluated. Applicants must provide annual usage information to calculate an emissions benefit of the upgrades. The estimates should be based on the current/future ownership, location and usage of the vehicles.

Date Posted: 2/21/2019

C.23: *Can a Tier 4 diesel yard truck with a 2013 engine model year be replaced with an all-electric yard truck?*

Answer: Tier 4 nonroad engines are not eligible for replacement.

Date Posted: 2/21/2019

C.24: *Can vehicles be purchased via leasing instead of outright cash purchase?*

Answer: Perpetual leasing is not allowed because the grantee must be able to demonstrate that they have met the mandatory cost-share requirements by the end of the project period. A Lease-to-own may be allowed, but the grantee must demonstrate that the vehicle will be paid off during the project period.

Date Posted: 2/21/2019

C.25: *Are diesel trucks with hybrid technologies installed at the time of purchase eligible for funding?*

Answer: Yes. Nonroad and highway diesel vehicles and equipment, locomotives, and marine vessels 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 includes, but is not limited to, diesel vehicle/equipment replacement with newer, cleaner diesel, zero tailpipe emission (grid, battery or fuel cell), hybrid or alternative fuel vehicles/equipment. Zero tailpipe emissions vehicles and equipment do not require EPA or CARB certification.

Date Posted: 2/28/2019

C.26: *Is a heavy-duty transit bus eligible for funding if it's only used on local roads and not highways?*

Answer: Yes. The term "highway" vehicles denotes vehicles certified for on road use, as opposed to nonroad vehicles and equipment.

Date Posted: 2/28/2019

C.27: *Is a nonroad vehicle or piece of equipment used primarily for construction, but also for other purposes eligible? If so, what is the funding level for a replacement project?*

Answer: Yes, nonroad vehicle/equipment are eligible even if they do other activities besides construction. EPA will fund up to 25% of the cost of a replacement vehicle or piece of equipment powered by a diesel or alternative fueled engine (including hybrids) certified to EPA emission standards; up to 35% of the cost of a replacement vehicle or piece of equipment powered by an engine certified to meet CARB's Optional Low NOx Standards; up to 45% of the cost of a replacement vehicle or piece of equipment powered by a zero tailpipe emission power source.

Date Posted: 2/28/2019

C.28: *Are gang or trim mowers eligible for funding?*

Answer: Yes. Mowers fall under agricultural equipment and are eligible if they meet all applicable eligibility criteria, such as model year and usage rate requirements. Please see RFA Section III.D.12 and Table 3 for nonroad engine funding restrictions.

Date Posted: 3/13/2019

C.29: *On Table 3 of the RFP, it says "Engine Replacement: EMY 2019+**." What does the plus sign mean?*

Answer: The plus sign means "or newer". The replacement engine must be certified to the same emission standards applicable to an engine model years 2019, 2020, 2021, etc.

Date Posted: 3/13/2019

C.30: *Are waivers available for nonroad equipment operating less than 500 hours a year? The equipment is used on an emergency basis to prevent flooding in an area where it doesn't rain frequently.*

Answer: No, waivers are not available for any funding restrictions. Nonroad engine hours may be combined to reach the 500 hour threshold if two units will be scrapped and replaced with a single new unit.

Date Posted: 3/13/2019

C.31: Are post-2007 highway engines eligible for replacement?

Answer: Engine model years 2007-2009 are eligible for replacement with new vehicles. Engine model years 2010 and newer are eligible for replacement with zero tailpipe emission vehicles. Please see Table 2 in Section III.D of the RFA for more information.

Date Posted: 3/13/2019

D. Application Process

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

Answer: While EPA cannot release specific information on grant applications, it does provide information on previously funded projects. Information on all previously funded projects may be found at www.epa.gov/cleandiesel/clean-diesel-national-grants-awarded.

Date Posted: 12/19/2018

D.2: How do I submit my application?

Answer: The Request for Applications (RFA) contains all project eligibility and application submission information. The RFA, as well as a Project Narrative sample template and an Applicant Fleet Description template, may be found at www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa. Applicants must download an application package, which contains standard forms (SF) 424, SF 424A, SF 424B, EPA Form 4700-4, and the EPA key contacts form from Grants.gov under Funding Opportunity Number EPA-OAR-OTAQ-19-01. The Project Narrative and any supporting documents should be attached to the application package, and the full package submitted to EPA through Grants.gov using the "Workspace" feature. You will find instructions to submit your application via Grants.gov in Appendix A. Please refer to the Application Submission Checklist in Appendix F of the RFA to ensure that all required information is included in your package.

If your organization is not currently registered with grants.gov, please begin the registration process as soon as possible. Please note that the registration process also requires that your organization have a Unique Entity Identifier (e.g., DUNS number) and a current registration with the System for Award Management (SAM). You may use the tool at iupdate.dnb.com/iUpdate/viewiUpdateHome.htm to lookup your company's DUNS number. Please visit www.sam.gov to check the status of your organization's SAM registration.

Date Posted: 12/19/2018

D.3: Is funding available nationwide?

Answer: Yes, eligible project locations include the 50 United States, District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. However, applicants must request funding from the EPA regional office which covers their geographic project location. The term "project location" as used in this RFA refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized. The geographic boundaries for each EPA regional office are defined in Section IV.A of the RFA. Each application should have the EPA Region from which they are requesting funding clearly listed on the Cover Page of the Project Narrative. Each application may only request funding from one EPA regional office. Applicants can submit a total of three (3) applications overall under this solicitation. More than one (1) application may be submitted to the same EPA Region, or applicants may submit applications to multiple EPA Regions. However, each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e., the same target fleet or group of fleets).

Date Posted: 12/19/2018

D.4: What should the applicant fleet description include?

Answer: Applicants must describe, to the extent possible, the fleet(s) targeted for the proposed project, including:

- target fleet type (e.g., Long Haul Combination, Long Haul Single Unit, Refuse Hauler, School bus, Short Haul Combination, Short Haul Single Unit, Transit Bus, Agriculture, Construction, Ports and Airports, Railyard, Stationary, Locomotive, Marine, Other),
- number of vehicles,
- vehicle class or equipment type,
- serial/VIN of current engine/vehicle, engine make, engine model, engine model year, engine family name, horsepower, displacement, tier level,
- fuel type, amount of fuel used, annual miles travelled or annual hours used, annual idling hours and annual hoteling hours (if applicable),
- remaining life at time of upgrade, and year in which the vehicle would normally be retired or sold by the fleet own if not for the grant activities (normal attrition year).

Applicants must describe, to the extent possible, the diesel emissions reduction solution(s) applied to each targeted vehicle/engine, including (where applicable): year of upgrade action, new upgrade technology type, new upgrade make, new upgrade model, new engine family name, new engine model year, new horsepower, new displacement, new tier level or emission standards, new fuel type, annual idling hours and hoteling hours reduced, annual diesel gallons reduced, and upgrade unit and installation costs. A sample format for the Applicant Fleet Description may be downloaded at www.epa.gov/cleandiesel/clean-diesel-national-grants#RFA.

Date Posted: 12/19/2018

D.5: Can multiple organizations apply under one project application?

Answer: Only one eligible entity may be listed as the applicant on the application. If selected for funding, the applicant organization is the sole recipient of the EPA funds and the recipient is responsible for overall project management, all required reporting, and is accountable to EPA for the proper expenditure of funds. However, applicants/recipients can form partnerships with other entities for the purposes of the grant.

There are several ways that an applicant/recipient can then provide funding/benefits to the other project partners/fleet owners (including subgrants, rebates, or other partnership agreements) in accordance with the applicable EPA grant regulations and the terms and conditions of the original award. The application should clearly explain the roles and responsibilities of all subgrantees/project partners.

Date Posted: 12/19/2018

D.6: Is there a minimum amount of funding that can be requested in an application?

Answer: No, there is no minimum amount of funding you must request.

Date Posted: 12/19/2018

D.7: Will DERA National Grants be available in 2020?

Answer: Future funding is contingent upon Congressional appropriation. EPA will announce any future Clean Diesel funding opportunities via the website and email list.

Date Posted: 12/19/2018

D.8: *Is funding for this program tied to the VW settlement?*

Answer: No. Funding from the VW settlement is not related to the National DERA Grant Funding Opportunity. The DERA Option in the VW Consent Decree pertains to the State Clean Diesel Program and the Tribal DERA Grant Program. For more information, visit www.epa.gov/cleandiesel/volkswagen-vw-settlement-dera-option.

Date Posted: 12/19/2018

D.9: *How many applications will be funded per Region?*

Answer: The number of applications funded per Region will vary based on the number of applications received and the size and quality of applications. Generally, EPA anticipates 2-8 applications funded per Region.

Date Posted: 12/19/2018

D.10: *Will Information Session slides or recordings be available?*

Answer: The Information Session slides will be posted at: www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa after the first information session. A recording will not be available.

Date Posted: 12/19/2018

D.11: *May we use our organization's existing DUNS number?*

Answer: Yes. Applicants do not need to obtain a new DUNS number if they already have one. To find your company's DUNS number, please visit: iupdate.dnb.com/iUpdate/viewiUpdateHome.htm.

Date Posted: 12/19/2018

D.12: *What is the applicant's mandatory cost-share requirement?*

Answer: Applicants are responsible for cost-sharing between 0% and 75% of the project cost, depending on the project type. For a detailed description of the cost-sharing guidelines, please see Section III.B. of the RFA.

Date Posted: 12/19/2018

D.13: *How much funding is available for each Region?*

Answer: Please see Table 1. Funding Limits by Region on page 23 of the RFA.

Date Posted: 12/19/2018

D.14: *Can VW funds be used as cost-share?*

Answer: No, VW funds cannot be used as a cost-share under the National Clean Diesel Funding Assistance Program.

Date Posted: 12/19/2018

D.15: *Do I have to include emissions reductions in my application?*

Answer: Yes, applicants must attach emissions reduction calculations. If using EPA's Diesel Emissions Quantifier (DEQ), attach a printout of the DEQ results spreadsheet showing DEQ results and inputs. If quantifying using an alternative method, please thoroughly describe and document your methods and results. The inputs used for emissions calculations should match the information provided by the applicant in the Applicant Fleet Description.

Date Posted: 12/19/2018

D.16: *Where can I find the most recent list of priority areas?*

Answer: The 2018 Priority Area List is available at:
www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa.

Date Posted: 12/19/2018

D.17: *If an eligible entity doesn't have specific vehicles identified for the grant application, is it acceptable to propose a more general project, such as a rebate program for Class 5-8 heavy-duty diesel local delivery truck replacements? If so, how do we fill out the AFD and calculate benefits?*

Answer: Yes, an applicant may propose a project where the specific fleets/vehicles are not yet identified. However, the applicant should describe how they intend to target, prioritize, select or recruit fleets (including any location or sector criteria); how they intend to administer funds (rebates or subgrants); and the roles and responsibilities of any project partners. Applicants should use their best judgment to complete the AFD and estimate emission reductions based on their knowledge or assumptions about potential participating fleets. The Diesel Emission Quantifier supplies default factors for many types of fleets. Please see Appendix E of the RFP for more detailed information on how to fund projects and partnerships.

Date Posted: 12/19/2018

D.18: *Do all counties on the 2018 Priority Area List receive the same number of priority location points?*

Answer: Project locations in counties designated as PM 2.5 or 8-hr Ozone Nonattainment or Maintenance will receive up to 10 points under Section V, Criterion #2.A. Project locations in counties where all or part of the population is exposed to more than 2.0 µg/m³ of diesel particulate matter emissions (see NATA column) will receive up to 5 points under Section V, Criterion #2.B. An application may receive points for both Section V, Criterion #2.A and #2.B. If a single proposal includes vehicles operating in more than one location, the Project Narrative should indicate where each vehicle operates and the percent of time spent in each area. Priority area points will be prorated based upon the percent of time spent in the priority area.

Date Posted: 12/19/2018

D.19: *We are a nonprofit partnering with a private entity. If the private entity purchases replacement vehicles and we reimburse them, would the private entity be categorized as a sub-awardee, a sub-recipient, or a contractor?*

Answer: DERA grant recipients may fund target fleets that they do not own and operate by either (1) making a subaward to a subrecipient or (2) providing participant support costs (i.e., rebates) to a project beneficiary. Both options can fund equipment and installation costs, but only subawards can fund a subrecipient's direct and indirect costs such as personnel and travel. If the DERA grant recipient is only funding a fleet's equipment and installation costs, the DERA grant recipient may choose to provide participant support costs (i.e., rebates) to the beneficiary. For more information on how to fund projects and partnerships, please see Appendix E of the RFA. A contract is only used when the grantee or subrecipient is procuring goods and/or services from a contractor or vendor. Contracts cannot be used to pass-through funds to a subrecipient or to award rebates to project beneficiaries.

Date Posted: 2/14/2019

D.20: *The RFA indicates that forms Standard Form 424B, Non-Construction Programs and Budget Information for Non-Construction Programs (SF-424A) are required. However, marine shore power connections include construction. Are there an alternate set of forms that should be submitted with marine shore power proposals?*

Answer: No, please submit the required Standard Form 424, 424A and 424B. The forms are specific to the program type (i.e., Non-Construction), not the project.

Date Posted: 2/14/2019

D.21: *Where can I find sample emissions reduction calculations?*

Answer: Appendix C includes instructions to calculate emissions reductions and a sample results print out from the Diesel Emission Quantifier. If you need assistance using the DEQ, please contact DEQhelp@epa.gov.

Date Posted: 2/14/2019

D.22: *Can you provide an example of using other federal grant funding as part of the cost-share requirement under DERA?*

Answer: Other federal grants may not be used as cost share under this RFA unless the statute authorizing the other federal funding provides that the federal funds may be used to meet a cost share requirement on a federal grant. Provided the other federal grant is authorized to be used as a federal cost, a simplified budget for an eligible vehicle replacement project could be broken down as: DERA funds (25%) + funds from other federal grant (60%) + funds from fleet owner (15%).

Date Posted: 2/14/2019

D.23: *Would an applicant be scored less for applying for funds for a recently purchased, older diesel truck?*

Answer: No. While there is no minimum time of ownership specified in the RFA, the existing equipment must be fully operational and in current, regular service. Further, the new or upgraded vehicle, engine, or equipment is expected to continue to perform the same function and operation as the vehicle, engine, or equipment that is being replaced. There are minimum usage requirements for nonroad, locomotive, and marine engines. Applicants must provide annual hours/miles and fuel use in order to calculate an emissions benefit of the upgrades. The estimates should be based on the current/future ownership, location and usage of the vehicles.

Date Posted: 2/14/2019

D.24: *Where can I find an example of an applicant fleet description?*

Answer: You can download a sample Application Fleet Description at www.epa.gov/sites/production/files/2018-11/fy19-afd-sample_1.xlsx. Please see Section IV.D.3 of the RFA for more information about completing the fleet description.

Date Posted: 2/14/2019

D.25: *Are design drawings required as part of our application for a marine shore power system project?*

Answer: No. If awarded a grant, the recipient will work with their EPA Project Officer for approval of the system.

Date Posted: 2/14/2019

D.26: *Can an applicant use both DERA National grant funds and VW Mitigation funds received from the State on the same project?*

Answer: No, under this funding opportunity vehicles/equipment cannot be funded with any combination of National DERA grant funds and VW Environmental Mitigation Trust Funds.

Date Posted: 2/14/2019

D.27: *What criteria will be used to review and approve proposed marine shore power connection system? Are there preferred qualitative and/or quantitative metrics that will be used to assess efficacy of shore power installations?*

Answer: Marine Shore Power Criteria are listed in Section I.B.2.d.3.a and b of the RFA. Appendix C of the RFA includes information on how to calculate emissions reductions from marine shore power projects.

Date Posted: 2/14/2019

D.28: *What is Funding Opportunity Number, Competition Identification Number, and Catalog of Federal Domestic Assistance number (CFDA) for this grant?*

Answer: The Funding Opportunity Number is EPA-OAR-OTAQ-19-01; the CFDA number is 66.039; and the Competition ID number is not applicable.

Date Posted: 2/21/2019

D.29: *On SF-424, item #19 asks if this application is subject to Review Under the Executive Order 12372 Process. How do we determine if the application is subject to this review?*

Answer: Executive Order 12372, Intergovernmental Review of Federal Programs, may be applicable to awards resulting from this announcement. EPA implemented the Executive Order in 40 CFR Part 29. EPA may require applicants selected for funding to provide a copy of their application to their State Point of Contact (SPOC) for review as provided at 40 CFR 29.7 and 40 CFR 29.8. EPA may require successful applicants from states that do not have a SPOC to provide a copy of their application for review to directly affected state, area-wide, regional and local government entities as provided at 40 CFR 29.7 and 40 CFR 29.8. These reviews are not required before submitting an application. Only applicants that EPA selects for funding under this announcement are subject to the Intergovernmental Review requirement (www.epa.gov/grants/fact-sheet-applicants-intergovernmental-review-process).

Date Posted: 2/21/2019

D.30: *On SF-424, item #18 asks for estimated funding. Do we put the total cost of the project, including the cost-share amount?*

Answer: The funding should be broken out by source type in 18.a – f (Federal share in 18.a and Applicant cost share in 18.b-e), with the total project cost including cost share listed in 18.g.

Date Posted: 2/21/2019

D.31: *May I submit two applications if the project cost exceeds the maximum funding request?*

Answer: No. Applicants can submit a total of three (3) applications overall under this solicitation. However, each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e. the same target fleet or group of fleets).

Date Posted: 2/21/2019

D.32: *Can you please break down all the different legacy diesel engines into types (i.e., how many are school buses, transit buses, construction equipment, etc.)?*

Answer: No. We do not have this information readily available. Stakeholders may use EPA's National Emissions Inventory (NEI) data and tools to estimate the contribution of various source types to local or regional air quality (www.epa.gov/air-emissions-inventories/2014-national-emissions-inventory-nei-data).

Date Posted: 2/21/2019

D.33: *May we include the project location table in the Fleet Description spreadsheet?*

Answer: No, the project location table is intended to be part of your Project Narrative.

Date Posted: 2/21/2019

D.34: *Will grants.gov remain open in the event of another partial government shutdown?*

Answer: Yes.

Date Posted: 2/21/2019

D.35: *Is there a typical range in the Evaluation Criteria (Merit Review) that justifies an award? For example, will 100 out of 130 points typically be or not be awarded?*

Answer: In general, applications are selected in rank order. There is not a defined minimum point threshold.

Date Posted: 2/21/2019

D.36: *When will the SAM.gov website be working again?*

Answer: GSA was affected by the recent government shutdown. To the best of our knowledge SAM.gov is now up and operational.

Date Posted: 2/21/2019

D.37: *Will funding for this RFA be available annually?*

Answer: Yes, we anticipate this funding opportunity to be offered annually.

Date Posted: 2/21/2019

D.38: *Are we required to submit an applicant fleet description for marine shore power connection systems?*

Answer: Yes. Applicants must describe, to the extent possible, the fleet(s) targeted for the proposed project, including: target fleet type, number of vehicles, vehicle class or equipment type, serial/VIN of engine/vehicle, engine make, engine model, engine model year, engine family name, horsepower, displacement, current tier level, fuel type, amount of fuel used, annual miles travelled or annual usage rate, annual idling hours and annual hoteling hours, remaining life at time of upgrade, and year in which the vehicle would normally be retired or sold by the fleet own if not for the grant activities (normal attrition year). Applicants must describe, to the extent possible, the diesel emissions reduction solution(s) applied to each targeted vehicle/engine, including (where applicable): year of upgrade action, new upgrade technology type, new upgrade make, new upgrade model, new engine family name, new engine model year, new horsepower, new displacement, new tier level or emission standards, new fuel type, annual idling hours and hoteling hours reduced, annual diesel gallons reduced, and upgrade unit and installation costs. This information should be presented in a table format. This information does not count towards the 12-page limit.

Date Posted: 2/21/2019

D.39: *Will an application deadline extension be granted in light of the recent government shutdown?*

Answer: Yes. The RFA application deadline is being extended until March 26, 2019. The RFA and supporting materials are in the process of being amended to reflect the new due date.

Date Posted: 2/21/2019

D.40: *Should an applicant with a national fleet submit one application that covers multiple regions or one application per EPA Region?*

Answer: Each application may only request funding from one EPA regional office. Applicants must request funding from the EPA regional office which covers their geographic project location. The term "project location" as used in this RFA refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project

will be realized. The geographic boundaries for each EPA regional office are defined in Section IV.A of the RFA. Each application should have the EPA Region from which they are requesting funding clearly listed on the Cover Page of the Project Narrative. Applicants can submit a total of three (3) applications overall under this solicitation. More than one (1) application may be submitted to the same EPA Region, or applicants may submit applications to multiple EPA Regions. However, each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e. the same target fleet or group of fleets). A single application may target multiple fleets, fleet types and/or diesel emissions reduction solutions.

Date Posted: 2/21/2019

D.41: *What is EPA Form 4700-4? Do we need approval from EPA or any other agency prior to submitting an application?*

Answer: EPA Form 4700-4 is a grant form that's a required part of your application, and you can download it from [grants.gov](https://www.grants.gov). Executive Order 12372, Intergovernmental Review of Federal Programs, may be applicable to awards resulting from this announcement. EPA implemented the Executive Order in 40 CFR Part 29. EPA may require applicants selected for funding to provide a copy of their application to their State Point of Contact (SPOC) for review as provided at 40 CFR 29.7 and 40 CFR 29.8. EPA may require successful applicants from states that do not have a SPOC to provide a copy of their application for review to directly affected state, area-wide, regional and local government entities as provided at 40 CFR 29.7 and 40 CFR 29.8. These reviews are not required before submitting an application. Only applicants that EPA selects for funding under this announcement are subject to the Intergovernmental Review requirement (www.epa.gov/grants/fact-sheet-applicants-intergovernmental-review-process).

Date Posted: 2/21/2019

D.42: *Will a recording of the National Grant Information Session webinars be made available?*

Answer: No, but the slides are available at www.epa.gov/cleandiesel/clean-diesel-national-grants.

Date Posted: 2/21/2019

D.43: *Does it matter whether the nonattainment is for the 1-hour or 8-hour ozone NAAQS?*

Answer: No. There's a list of priority areas with a column for each of the applicable standards. You only need to be in nonattainment for one of the standards to receive points for the criterion.

Date Posted: 2/21/2019

D.44: *Are support letters a significant factor in whether our application is accepted?*

Answer: No, but they do come into play in the evaluation process. Some letters are required, and some are optional, depending on the project, who's involved, and what their roles are.

Date Posted: 2/21/2019

D.45: *Can our organization use in-kind contributions as our cost-share?*

Answer: Staff time (in-kind services) for project management may be included as a voluntary cost-share under Personnel costs. The eligible project costs for applicable vehicles/engines/technologies include parts and labor for installation. If the applicant will be providing in-kind services for the installation of engines/technologies, the applicant may apply those in-kind services towards the mandatory cost-share for those engines/technologies. EPA's portion of the equipment costs (parts and labor) cannot exceed the cost share percentages given in the RFA.

Date Posted: 2/28/2019

D.46: *Is purchasing and installing biodiesel infrastructure eligible as our cost-share?*

Answer: No. Only eligible and allowable costs may be used as a cost-share.

Date Posted: 2/28/2019

D.47: *How do we obtain EPA approval for replacing a Class 7 highway vehicle with a Class 8 highway vehicle?*

Answer: The funding restrictions in the RFP state that the replacement vehicle, engine, or equipment will continue to perform the same function and operation as the vehicle, engine, or equipment that is being replaced and that the replacement vehicle, engine, or equipment will be of the same type and similar gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced. An applicant may include a justification for increasing the weight class of the replacement vehicle and approval may be granted for vocational purposes. Approval will be granted at the time of selection/award based on the justification provided in the proposal. If the proposal is selected for funding, and EPA does not think the increase in size is justified and/or reduces the cost effectiveness of the project, the applicant may be required to pay the additional (incremental) costs associated with the larger vehicle if they accept the EPA funding.

Date Posted: 2/28/2019

D.48: *The draft narrative template sections and the evaluation rubric sections contained in the RFA do not align. Please advise.*

Answer: EPA posted an amended draft narrative template to the Clean Diesel website (www.epa.gov/cleandiesel/clean-diesel-national-grants#documents) on February 20, 2019. The sections now align.

Date Posted: 2/28/2019

D.49: *If an applicant is submitting multiple applications for separate projects, may the total federal funding request for all applications exceed the maximum amount specified in Section II, A, Table 1 of the RFA?*

Answer: Yes. The maximum federal funding listed in the table is per application.

Date Posted: 3/13/2019

D.50: *Regarding EPA Form 4700-4, Question V: Should we include a complaint that was investigated but then dropped by the complainant? If so, should we include the student names or omit them to protect privacy?*

Answer: The applicant should document all complaints received during the requested periods. If a complaint was withdrawn by the complainant, the applicant can document that the complaint was withdrawn. Please refrain from including personally identifiable information with your submission.

Date Posted: 3/13/2019

E. Project Administration

i. Competitive Procurement Requirements

E.i.1: *If a project is co-funded using an incentive program that requires an equipment supplier to be determined prior to application, will competitive procurement standards still apply?*

Answer: Yes, all 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 2 CFR Part 200, as appropriate. However, an existing contact may be

utilized if the grantee or subgrantees can demonstrate that the vendor was selected through a competitive process that meets the requirements. Refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements) for EPA's policies on competitive procurements.

Date Posted: 12/19/2018

E.i.2: *Are awardees required to work with local vendors to obtain replacement equipment? If not, does EPA maintain vendor lists?*

Answer: Applicants may select any equipment supplier through a competitive procurement process that meets the applicable requirements of 2 CFR Part 200. Please refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements) for further guidance. While EPA does not maintain vendor lists, you may be interested in the verified technology contact list at www.epa.gov/verified-diesel-tech/manufacturer-contact-list-clean-diesel.

Date Posted: 12/19/2018

E.i.3: *If an eligible entity is working with a private company and the private company has an existing contract that was bid competitively, does that satisfy 2 CFR 200? If not, who would issue an RFP?*

Answer: If the fleet owner is a subawardee that is receiving a subgrant, then the subawardee is subject to the applicable procurement requirements in 2 CFR Part 200 and the terms and conditions of the EPA assistance agreement. A subawardee may use an existing procurement contract if they can demonstrate that the vendor was selected through a process meeting the applicable procurement requirements. Refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements). If the existing contract does not meet the requirements, the fleet owner would issue a new RFP since they are the entity making the purchase. If the fleet owner is a project beneficiary receiving participant support costs (i.e., a rebate), the beneficiary is not subject to the requirements in 2 CFR Part 200.

Date Posted: 2/14/2019

ii. General

E.ii.1: *What is the project period for this funding opportunity?*

Answer: In general, the project period for awards resulting from this solicitation is expected to begin on July 1, 2019, with an expected project completion date no later than June 30, 2021. Applicants are expected to include a detailed timeline for the project including milestones for specific tasks, such as bidding, procurement, installation and reports.

Date Posted: 12/19/2018

E.ii.2: *Could an applicant use funds from another grant program to meet the cost-share under a DERA grant?*

Answer: In general, state, tribal, local and private funds may be used as a cost-share on a DERA grant. Other federal grants may not be used as cost-share under DERA unless the statute authorizing the other federal funding provides that the federal funds may be used to meet a cost-share requirement on a federal grant.

The Budget Narrative of the DERA application must include a detailed description of how and when the applicant will obtain the cost-share and how cost-share funding will be used. In the event that the DERA application is selected for funding and the other grant funding does not materialize, the grantee is legally obligated by the DERA award agreement to meet their cost-share commitment for any EPA DERA funds that are expended.

Date Posted: 12/19/2018

E.ii.3: *Once an application is received and is awarded a certain amount of money, is the applicant obligated to continue or can they withdraw if other funding fails to come through?*

Answer: After an award is made, the recipient may terminate the award for convenience at any time.

Date Posted: 12/19/2018

E.ii.4: *Is an example of a final report available?*

Answer: Yes. Template reports for grantees are available at www.epa.gov/cleandiesel/clean-diesel-national-grants#reporting.

Date Posted: 12/19/2018

E.ii.5: *Once an applicant is awarded a certain amount of money, is there a penalty if an applicant does not use the entire amount?*

Answer: No, there is no penalty, but the unused funds must be returned to EPA the end of the project.

Date Posted: 2/14/2019

E.ii.6: *Does this RFA include Buy America provisions?*

Answer: The RFA does not include Buy American provisions, however, the recently signed executive order 13858, "Strengthening Buy-American Preferences for Infrastructure Projects", could potentially apply to some DERA projects. You can review the executive order along with the associated deadlines for EPA's administrator to respond regarding covered programs at the following link: www.federalregister.gov/documents/2019/02/05/2019-01426/strengthening-buy-american-preferences-for-infrastructure-projects. If it is determined that Buy America provisions apply to DERA projects, all applicable terms and conditions will be included in the EPA assistance agreement.

Date Posted: 2/14/2019

E.ii.7: *Once the vehicle engines to be replaced have been drilled, can we sell the body for parts?*

Answer: The vehicle must be scrapped (i.e., crushed/shredded) or rendered permanently disabled. Cutting a three-inch by three-inch hole in the engine block (the part of the engine containing the cylinders) and cutting through the frame/frame rails on each side at a point located between the front and rear axles are the preferred methods. The disabled engine and vehicle may be sold. Any revenue earned from the sale of scrapped vehicles/parts is considered "program income" under the terms and conditions of the award. Any program income must be put back in to the grant project.

Date Posted: 2/14/2019

E.ii.8: *Is a shore power system that is part of a larger redevelopment eligible if the entire project goes out to bid before receiving DERA funds?*

Answer: Any funding awarded under this announcement must be used for activities that will take place within the approved project period and may not be used for unauthorized pre-award costs. Any costs incurred prior to the grant project/budget period are not eligible for reimbursement with grant funds. However, funding could be used for a new component of an on-going project. Design changes required by EPA may be handled as change orders to an existing contract.

Date Posted: 2/14/2019

E.ii.9: *Will EPA consider projects with timelines longer than 2 years?*

Answer: Yes, longer timelines will be considered where justified.

Date Posted: 2/14/2019

E.ii.10: *If the 2010 vehicle that is being "passed down" to another owner is sold, how are the costs handled?*

Answer: This is considered "program income". If you sell your vehicle to another owner, your money earned as a result of the grant must be put towards the total project costs. For example, you could put it toward the mandatory cost share of your vehicle or use it to cover any scrappage costs.

Date Posted: 2/21/2019

E.ii.11: *What happens if we receive the grant but are unable to meet the deadline for purchasing the equipment?*

Answer: The project period is generally two years or less, but applicants set their own schedule. If you encounter project delays but have been actively working towards your goals, you may be eligible for a project extension.

Date Posted: 2/21/2019

E.ii.12: *Do we have to wait until we find out if we were awarded the grant before entering into a purchase agreement? Or can we do it after we submit our grant application?*

Answer: Yes, you must wait until you receive the award to enter into purchase agreements. Costs incurred prior to the project period are not eligible for reimbursement.

Date Posted: 2/28/2019

E.ii.13: *Can education and outreach be paid by the grant?*

Answer: Education and outreach may be covered to a limited extent. For example, we have paid for driver training to learn about their new equipment or idle reduction strategies, mechanic training so that they can support the new equipment, and some limited outreach to promote the project or disseminate the results. The main activities to be funded under the grant are the purchase and installation of vehicles and technologies to achieve emission reductions, and the associated administrative costs to implement the project.

Date Posted: 3/13/2019

E.ii.14: *May the applicant apply indirect costs to subrecipient or contractors providing education/outreach?*

Answer: Yes. Subaward budgets may include the subrecipients indirect costs and contract budgets may include the contractor's indirect costs.

Date Posted: 3/13/2019

E.ii.15: *Can the applicant apply indirect costs to administration?*

Answer: Yes.

Date Posted: 3/13/2019

E.ii.16: *If a project is awarded, how will funding be distributed?*

Answer: Grant funds are typically distributed as reimbursements. The recipient initiates an electronic payment and funds are credited to the recipient organization. These funds can be used by the recipient to pay for valid invoices and other valid grant expenses. The grantee may be

paid in advance, provided it maintains or demonstrates the willingness to maintain 1) written procedures that minimize the time between the transfer of funds and disbursement by the grantee, and 2) financial management systems that meet the standards for fund control and accountability as established in 2 CFR Part 200. Advance payments to a grantee must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the grantee in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the grantee for direct program or project costs and the proportionate share of any allowable indirect costs.

Date Posted: 3/13/2019

E.ii.17: *Can the DERA grant pay for grant administration by the non-profit submitting the application and administering the grant?*

Answer: Yes.

Date Posted: 3/13/2019

New E.ii.18: *We provide contract ferry service to the National Park Service. May we use DERA funds to meet NPS contract specifications which require Tier 3 or newer engines in our vessels? The applicant is an eligible non-profit organization that we are partnering with.*

Answer: Yes. The contract specifications are not considered a federally mandated measure.

Date Posted: 3/25/2019