Clean Air Act Grants under the Inflation Reduction Act

Questions & Answers Document

Includes webinar questions from February 23, 2023

Last updated: March 17, 2023

The U.S. Environmental Protection Agency (EPA) is accepting applications for <u>Clean Air Act</u> (<u>CAA</u>) <u>Grants under the Inflation Reduction Act (IRA</u>). Please refer to the grant webpage for the complete Notice of Funding Opportunity (NOFO) and additional information, including the <u>IRA</u> <u>Clean Air Act Grant Program Guidance</u>.

Funding opportunity numbers (FONs) for this noncompetitive grant are provided by EPA Regional Points of Contact—listed on pages 8 - 9 on the Guidance Document. EPA encourages eligible state, local, Tribal, and territorial air agencies to submit grant applications as soon as possible and no later than **April 17, 2023**. (UPDATED)

EPA hosted two virtual Funding Opportunity Information Sessions on February 23, 2023. This document includes the questions asked during that session—edited for clarity with duplicate questions consolidated. These questions and answers supplement the Questions and Answers section listed on pages 7-8 in the Guidance Document (also listed below).

Please review all questions. If you have any additional questions, please contact your EPA Regional Point of Contact. Questions marked **NEW** or **UPDATED** have been added or revised since the last posting of the questions and answers document.

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Questions and Answers from Guidance Document

1. What does the IRA say about how the Clean Air Grants are to be used?

Section 60105(f) of the IRA states the following:

Clean Air Act Grants: In addition to amounts otherwise available, there is appropriated to the Administrator of the Environmental Protection Agency for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, \$25,000,000, to remain available until September 30, 2031, for grants and other activities authorized under subsections (a) through (c) of section 103 and section 105 of the Clean Air Act.

Please note that the Clean Air Act grants addressed in this guidance are separate and distinct from the Climate Pollution Reduction Grants authorized under Section 60114 of the Inflation Reduction Act.

2. What is the purpose of these funds?

Since EPA has chosen to issue these grants under Section 103 of the Clean Air Act, they may be used for any eligible activity under subsections (a) through (c) of Section 103. Air agencies may use these one-time resources to supplement annual funding and/or to prepare for implementation of other IRA provisions.

3. How are the Clean Air Act Grants being allocated?

The CAA Section 105 allocation process was used to divide the CAA Grant IRA funds as follows:

First, OAR will divide the \$25M minus minor administrative expenses (\$24.3M total) between states and Tribes following the typical percentage split contained in the annual State and Tribal Assistance Grants (STAG appropriation for air program implementation authorized by CAA Section 105), by which 93% goes to states, territories, and local air agencies and 7% goes to Tribes.

Second, OAR will apply the historic allocation methodology used to distribute the annual CAA Section 105 STAG appropriation among eligible air pollution control agencies to determine the amounts they would receive as their IRA CAA Grant. This includes a two-step process whereby Headquarters allocates the funding to the Regions. The Regions then determine how much funding to award non-competitively to the eligible air pollution control agencies in their Region.

4. Can IRA Clean Air Act grants be added to existing grants?

IRA Clean Air Act grants can be combined with other grants for insular areas (American Samoa, Commonwealth of the Northern Marian Islands, Guam, and the U.S. Virgin Islands) under the Omnibus Territories Act, 48 USC 1469a. There are legal, logistical, and timing concerns that led to a decision to issue IRA CAA grants as stand-alone grants for all other eligible entities under CAA Section 103.

5. Can funds from these IRA CAA grants go to multi-jurisdictional organizations?

These IRA CAA grants are limited to air pollution control agencies, as defined by the CAA. Therefore, multi-jurisdictional organizations are ineligible to receive an IRA CAA grant.

However, as with any grant, air pollution control agencies may issue subawards to other entities, such as MJOs, to carry out eligible activities consistent with EPA's Subaward Policy.

6. Can IRA CAA grants pay for air monitoring equipment?

Certain air monitoring equipment (including sensors) can be purchased with IRA CAA funding, provided the equipment is used for an allowable activity under Section 103 of the Clean Air Act. This includes but is not limited to: PM2.5 monitoring; air toxics studies or research; criteria pollutant studies or research; or other research, investigations, experiments, demonstrations, or studies relating to the causes, effects (including health and welfare effects), extent, prevention, and control of air pollution

7. Can this funding be used for staffing at air pollution control agencies?

Personnel costs can be included in the budget. Applicants should consult EPA's Interim
Interim
Assistance
When developing their budget. The following cost categories can potentially be eligible – personnel, travel, equipment, supplies, contractual, sub-awards (under "Other"), and indirect costs.

8. How do eligible air agencies apply for an IRA Clean Air Act grant?

Eligible air agencies must have an active SAM.gov and Grants.gov account. Applicants should ensure as soon as possible that their accounts are active. Click this link for additional information about registering in SAM.gov and Grants.gov.

9. Who can I contact for more information?

Please refer to the Guidance Document, pages 8 – 9, for EPA Regional Points of Contact.

Additional Questions

The following questions and answers supplement those listed in the Guidance Document (and restated above). They consist of questions and answers asked and answered during the virtual information sessions and submitted via email to the regions.

Timeline

1. What is the timeframe for this funding?

As noted in Part 1 of the <u>IRA Clean Air Act Instructions for Narrative and Work Plan</u> (see "Project Period"), project periods are not to exceed three years from the project start date. Your project timeframe may be shorter. The final report shall be submitted to EPA within 120 calendar days of the completion of the period of performance.

2. When can eligible entities expect to receive funding amounts and application numbers from the regional offices?

If you still need your funding amount or Funding Opportunity Number (FON), please reach out to your EPA Regional Point of Contact, as listed on pages 8-9 in the Guidance Document.

3. Is April 17th, 2023 a hard deadline? UPDATED

We encourage you to submit your applications in advance of the April 17, 2023 deadline if possible. Air agencies should contact the EPA Point of Contact listed in the Guidance Document if additional time is needed.

4. When will the regions notify air agencies of their funding amount?

For more information, please contact your EPA Regional Point of Contact found on pages 8-9 of the Guidance Document.

Funding

1. What happens to any funds remaining with EPA after all grants are awarded? EPA does not anticipate any funds remaining after all grants are awarded.

Eligibility

1. Will this funding be used to support infrastructure (such as station shelters, monitors, equipment and/or electric charging stations) as opposed to training and intangible items? Is EPA aware that some states' annual CAA 103 grants are typically focused around PM2.5?

These funds may be used for any eligible activity <u>under Section 103 of the Clean Air Act subsections (a) through (c)</u>. Air agencies may use these one-time resources to supplement annual funding and/or to prepare for implementation of other IRA provisions. Your organization may choose to focus on any eligible activities including PM 2.5 activities. For examples of eligible activities please refer to the Guidance Document page 4.

Work Plan

1. Where is the IRA Grant Work Plan Worksheet? Do I have to use it?

The <u>IRA Clean Air Act Sample Work Plan & Template</u> and the accompanying document, <u>IRA Clean Air Act Instructions for Narrative and Work Plan</u>, are both on the <u>Clean Air Act Grants under IRA website</u> under the Tools and Resources section. Please note that the Work Plan and Template include sample data that should be removed and new data related to the application should be added. This is intended to be a helpful guide to meet the needs of the grant application, but this format is not required.

2. Is this work plan separate from our main CAA 103 work plan?

Yes, this will be a stand-alone grant with its own work plan and budget.

3. If a grantee would like to submit multiple projects should they submit more than one application on grants.gov?

No, instead please create multiple projects on one grant application. The different work plan components in the sample spreadsheet template can be thought of as different projects.

4. When accessing the work plan template I am unable to scroll down. What is the problem? The first six rows of the worksheet were frozen to assist with viewing the top lines of text. This is helpful on larger screens but was more difficult for viewing the spreadsheet on smaller/laptop screens. A new version, with the top lines unfrozen, was uploaded on Thursday, March 2.

Other

1. Where are EPA Region Points of Contact (POCs) listed?

Please refer to pages 8-9 of the Guidance Document.

2. What is the definition of an air pollution control agency?

An air pollution control agency is defined under Section 302(b) of the Clean Air Act. The Clean Air Act defines "air pollution control agencies" as any of the following:

- (1) A single State agency designated by the Governor of that State as the official State air pollution control agency for purposes of this chapter.
- (2) An agency established by two or more States and having substantial powers or duties pertaining to the prevention and control of air pollution.
- (3) A city, county, or other local government health authority, or, in the case of any city, county, or other local government in which there is an agency other than the health authority charged with responsibility for enforcing ordinances or laws relating to the prevention and control of air pollution, such other agency.
- (4) An agency of two or more municipalities located in the same State or in different States and having substantial powers or duties pertaining to the prevention and control of air pollution.
- (5) An agency of an Indian tribe.

Further, "State" is defined as: "a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa and includes the Commonwealth of the Northern Mariana Islands."

3. To qualify to apply for funding, Tribes must have a CAA 105 grant, but can the funding be used for CAA 103 activities?

Yes, The CAA Section 105 allocation process was used to divide the CAA Grant IRA funds. These funds may be used for any eligible activity under subsections (a) through (c) of Section 103 of the Clean Air Act. The Guidance Document lists examples of Eligible Activities on page 4.

4. Will the recording and slide deck for the February 23 webinar be shared?

Yes, they are posted under the **Tools & Resources** section of the Clean Air Act Grants Under the Inflation Reduction Act webpage, and linked here:

- Recording: <u>Clean Air Act Grants under the Inflation Reduction Act Informational</u> Webinar 2/23/23
- Slide deck: IRA Clean Air Act Grants Information Session (pdf)

5. I have received my Funding Opportunity Number (FON) from my region. Now what do I do?

Agencies may <u>search grants.gov at this link</u> and enter the FON into the Funding Opportunity Number search box.