

Questions and Answers: Clean Heavy-Duty Vehicles (RFA# EPA-R-OAR-CHDV-24-06)

Monday, April 29, 2024

The following Questions and Answers have been compiled for the benefit of organizations considering applying for a grant under the above Notice of Funding Opportunity (NOFO).

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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. Overview

New A.1: What are the eligible uses of funding?

Answer: CHDV grants provide funding to eligible recipients so that they may replace existing heavy-duty vehicles with zero-emission models. Eligible activities include:

a) The replacement of eligible existing internal combustion engine (ICE) Class 6 and Class 7 vehicles with eligible zero-emission vehicles; and

b) Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain the new zero-emission vehicles; and

c) Workforce development and training to support the maintenance, charging, fueling, and operation of zero-emission vehicles.

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Applicants may also use funding to cover project implementation costs, meaning costs directly related to the implementation, management, and oversight of the project, including recipient and subrecipient personnel and benefits, eligible equipment, contractual services, consulting on vehicle deployments, travel, supplies, subgrants and rebates to project partners, and indirect costs. These costs are not included in or subject to the per-vehicle funding cost share and caps listed in Section III.B.1.

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New A.2: What is the Clean Heavy-Duty Vehicles Program? Is it different from the Clean School Bus Program?

Answer: The Clean Heavy-Duty Vehicles (CHDV) Grant Program is a new funding program through which the EPA will provide up to \$932 million to fund the incremental cost of the replacement of internal combustion engine (ICE) Class 6 and Class 7 vehicles with zeroemission vehicles (ZEV), along with the deployment and operation of ZEV infrastructure, as well as workforce development and training for funded vehicles and infrastructure. This new funding program will focus on communities with poor air quality, with at least \$400 million going to communities located in areas designated "nonattainment" for having air pollution levels persistently exceeding the <u>National Ambient Air Quality Standards (NAAQS</u>). Funds are subject to availability and total awards may be higher or lower than the anticipated funds offered.

The CHDV Grant Program is an entirely separate funding program from the Clean School Bus (CSB) Rebate and Grant Programs. For more information on the CHDV Grant Program, refer to the <u>CHDV website</u>. More information on the CSB Program is available on the <u>CSB website</u>. *Date Posted:* 4/29/2024

New A.3: How many grants will the EPA fund under the 2024 CHDV Grant Program?

Answer: The EPA anticipates awarding approximately 40 to 160 grants and/or cooperative agreement(s) under the 2024 CHDV Grant Program <u>Notice of Funding Opportunity (NOFO)</u>, subject to the availability of funds, the quantity and quality of applications received, Agency priorities, and other applicable considerations. In making the final funding decisions, the EPA may also consider programmatic priorities and geographic diversity of funds, number and size of awards, environmental benefits, applicability of different business models, and other Agency and programmatic priorities.

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New A.4: How many vehicles can be replaced?

Answer: Applicants applying through the School District Sub-Program must replace a minimum 10 school buses. Applicants applying through the Vocational Vehicles Sub-Program must replace a minimum of 3 vehicles. Tribal and territory applicants are not subject to vehicle replacement minimums. There is no maximum limit set for vehicle replacements. *Date Posted:* 4/29/2024

New A.5: Where can I find more technical information about electric vehicle capabilities? I'm not sure electric vehicles will work in my area because of local conditions (e.g., weather, terrain).

Answer: The EPA is partnering with the National Renewable Laboratory to offer technical assistance to applicants and grantees, including information and tools needed to successfully plan and deploy zero emission vehicles and infrastructure. Potential applicants can contact NREL for technical assistance by emailing <u>CleanHDVehiclesTA@NREL.gov</u>.

Applicants replacing school buses may also visit the <u>Clean School Bus Technical Assistance</u> <u>Webpage</u> for more technical assistance resources. In addition, the <u>Department of Energy (DOE)</u> offers information about the benefits of electric school buses and examples of their use. While not a government source, the <u>World Resources Institute</u> also offers a number of resources, including an electric vehicle buyer's guide.

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New A.6: Who should applicants contact with questions or for assistance completing forms?

Answer: Please email <u>CleanHDVehicles@epa.gov</u> with questions on the 2024 CHDV Grant Program. Due to grant competition rules, the EPA cannot provide assistance with filling out a grant application, however, resources on standard grant forms are available here. In addition, the <u>Environmental Justice Technical Assistance Centers</u> may have additional resources relevant to potential applicants.

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New A.7: Who do I contact with questions about EV infrastructure?

Answer: For technical assistance on planning and deploying zero emission vehicles and infrastructure, please contact <u>CleanHDVehiclesTA@NREL.gov</u>. *Date Posted:* 4/29/2024

New A.8: What is a nonattainment area?

Answer: Nonattainment areas are areas of the country where air pollution levels persistently exceed the National Ambient Air Quality Standards. More information about nonattainment areas can be found at the <u>EPA's Green Book webpage</u>.

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B. Eligible Applicants

New B.1: What is Intertribal Consortia?

Answer: For the purposes of this <u>NOFO</u>, "intertribal consortium" is defined as a partnership between two or more eligible Tribal agencies that is authorized by the governing bodies of those Tribes to apply for and receive assistance under this program. Intertribal consortia are eligible to receive assistance under this program only if the consortium demonstrates that all members of the consortium meet the eligibility requirements for the program and authorize the consortium to apply for and receive assistance by submitting to the EPA documentation of (1) the existence of the partnership between Indian Tribal governments and (2) authorization of the consortium by all its members to apply for and receive the assistance.

Date Posted: 4/29/2024

New B.2: Can applications include vehicles that would serve municipalities or other eligible applicants outside of the U.S. states and territories?

Answer: No. Applications for vehicles that would serve municipalities or other eligible applicants outside the 50 states, D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands are not eligible for funding. *Date Posted:* 4/29/2024

New B.3: How are "municipalities" defined?

Answer: Municipality is defined as "a city, town, borough, county, parish, district, or other public body created by or pursuant to State law." *Date Posted:* 4/29/2024

New B.4: Are private vehicle fleets, original equipment manufacturers (OEMs), or other private third-party entities eligible to apply?

Answer: Private vehicle fleets, OEMs, and other privately-owned third-party entities are not eligible to apply directly for funding under the CHDV Grant Program. However, applicants selected for funding will need to follow applicable grant procurement standards, which can provide opportunities for OEMs, private fleets, and other relevant third-party vendors to bid to provide zero-emission vehicles, charging or refueling infrastructure, or other eligible project expenses. For details on grant procurement rules, please refer to the Procurement Standards in 2 CFR Part 200 (sections 200.317-200.327).

Under the 2024 CHDV Grant Program, examples of how third-party entities might participate include:

• After official award, a grantee solicits a bid from OEMs for buses, then purchases the buses from the OEM meeting the requirements of the bid process, and subsequently

establishes a contractual relationship with a private fleet to transfer ownership of the buses to a private fleet to run their bus service.

- After official award, a grantee solicits a bid for bus procurement and private fleet service, and then selects the private fleet meeting the requirement of the bid; the grantee then passes funds to the private fleet to purchase buses and run the bus service.
- Prior to official award, an eligible applicant has an existing contract with a private fleet service; if the existing contract was awarded per grant procurement standards (e.g., following competitive bid requirements) and the existing contract includes both vehicle procurement and vehicle services, then, the applicant, if selected for funding, may be able to use their existing contract. However, if the existing contract was not awarded per grant procurement and vehicle services, not include both vehicle procurement and vehicle services, then the awarded grantee will likely need to initiate a new bid for procurement of buses and bus service per grant procurement standards.

For private third-party entities interested in applying directly to a funding opportunity to replace school buses, the <u>Clean School Bus Program</u> funding opportunities include such entities as eligible applicants.

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New B.5: Will applications be accepted from eligible applicants if the project takes place outside a nonattainment area?

Answer: Applications from eligible entities will be accepted regardless of whether the projects take place in a nonattainment area or not.

Date Posted: 4/29/2024

New B.6: Who is eligible to apply?

Answer: Eligible applicants for the 2024 CHDV Grant Program include:

- a) States, including U.S. territories;
- b) Municipalities, including public school districts;
- c) Indian Tribes, including Intertribal Consortia (see Question B.1. for definition);
- d) Nonprofit school transportation associations.
 - A nonprofit organization is defined as any corporation, trust, association, cooperative, or other organization that is operated mainly for scientific, educational, service, charitable, or similar purpose in the public interest and is not organized primarily for profit; and uses net proceeds to maintain, improve, or expand the operation of the organization. The term includes tax-exempt nonprofit neighborhood and labor organizations.

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New B.7: Are electric vehicle charging companies eligible to apply?

Answer: No. See eligible entities under this NOFO in Q&A B.6 and Q&A B.4 for information on how third-parties can participate in the 2024 CHDV Grant Program. *Date Posted:* 4/29/2024

C. Eligible Vehicles

New C.1: Are engine replacements, upgrades, conversions, or retrofits eligible activities? Answer: No. The EPA is not funding the conversion of vehicles that have gone through a first retail-sale to operate on battery-electric or fuel-cell drivetrains under this NOFO. *Date Posted: 4/29/2024*

New C.2: What does it mean that "replacement vehicle must be similar in form and function to the vehicle being replaced"?

Answer: Replacement vehicles must generally be of the same or similar vehicle type and continue to perform the same or similar function and operation as the vehicle being replaced. If the applicant requests vehicles that include additional functionality or add-ons unrelated to the vehicle's ability to perform its function, then the EPA may elect not to fund, or to partially fund, the requested new vehicles. Please refer to <u>NOFO</u> Section V for additional details. *Date Posted: 4/29/2024*

New C.3: Do all replacement vehicles have to be the same fuel type?

Answer: No, grantees may use the EPA funds to purchase a combination of vehicles with battery-electric or hydrogen fuel cell powertrains.

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New C.4: Can 2024 CHDV grant funding be used to lease or lease-to-own the new replacement vehicles?

Answer: No. New replacement buses must be purchased, not leased or leased-to-own. Vehicle loans are permitted for the replacement bus purchases, provided that the applicant on the application takes title to the vehicle before the end of the project period. *Date Posted:* 4/29/2024

New C.5: Can vehicles currently being leased be replaced in this grant program?

Answer: Yes. Applicants may work with the fleet owner(s) of their existing vehicles to carry out the project, including scrapping, selling, or donating existing vehicles according to program guidelines. Note: the organization leasing the buses will likely need a contractual arrangement with the lessor to ensure the buses are replaced. The EPA will not be involved in such contractual arrangements.

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New C.6: Is a vehicle already on order eligible as a replacement vehicle?

Answer: No. Vehicles must not be ordered prior to receiving official notification of selection for the EPA funding.

New C.7: How is a "zero-emission vehicle" defined under the Clean Heavy-Duty Vehicles *Program?*

Answer: Under the Clean Heavy-Duty-Vehicles Program, a zero-emission vehicle is defined as a vehicle that has a drivetrain that produces, under any possible operational mode or condition, zero exhaust emissions of any criteria air pollutant (or precursor thereof) and any greenhouse gas.

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New C.8: Are diesel or gasoline vehicles eligible as the new replacement vehicles?

Answer: No. Replacement vehicles must have a battery-electric, or hydrogen fuel cell drivetrain.

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New C.9: What model years are eligible for the replacement vehicle?

Answer: Replacement vehicles must be a new model year 2023 vehicles or newer that are certified to conform with all applicable Federal Motor Vehicle Safety Standards (FMVSS). Please see Section III.D of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> for additional requirements for replacement vehicles.

Date Posted: 4/29/2024

New C.10: Is there a usage requirement for existing vehicles?

Answer: Yes, school buses must have provided bus service to a public school district for at least three days/week on average during the 2022/2023 school year at the time of applying, excluding emergency-related school closures. There is no mileage usage minimum for school buses.

For other non-school bus vehicles, the vehicles must have accumulated at least 7,000 miles/year during each of the two years prior to replacement. The mileage of two or more vehicles may be combined to reach 7,000 miles/year where two or more vehicles will be replaced with a single zero-emission vehicle. For Tribal and territory applicants, as defined by Section III.A.3 of the NOFO, the mileage minimum is 5,000 miles/year during each of the two years prior to replacement. If a vehicle does not meet the mileage requirement and the applicant can demonstrate that the vehicle idles the main engine for long periods to provide power for auxiliary apparatus (e.g., firetrucks or utility trucks), then the existing vehicle to be replaced must have idled for at least 500 hours/year during the two years prior to replacement.

Please see Section III.D of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> for more information about eligible activities, vehicles, infrastructure and costs. *Date Posted: 4/29/2024*

New C.11: What vehicle types are eligible for replacement?

Answer: Please see Section III.D.2 of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> for all program requirements of vehicles eligible for replacement. Note that Section 422 of the Transportation, Housing and Urban Development, and Related Agencies Consolidated Appropriations Act of 2019 amended 23 U.S.C. 127 (s) to state that, "A vehicle, if operated by an engine fueled primarily by natural gas or powered primarily by means of electric battery power, may exceed the weight limit on the power unit by up to 2,000 pounds."

Date Posted: 4/29/2024

New C.12: What requirements must the existing vehicle that will be replaced meet?

Answer: Please see Section III.D.3 of the <u>CHDV Notice of Funding Opportunity (NOFO)</u> for all program requirements of eligible replacement vehicles. *Date Posted:* 4/29/2024

D. Eligible Costs & Funding Amounts

New D.1: If the EPA cost share of a replacement vehicle is less than the maximum per-vehicle funding amount, can the remaining funds be used for charging infrastructure costs?

Answer: Yes. The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>NOFO</u> represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure. Note, the total of funds from the CHDV grant and other eligible external funds allocated for the vehicle replacements and infrastructure cannot exceed the cost of the new vehicles and infrastructure. *Date Posted*: 4/29/2024

New D.2: What is the per-vehicle funding limit?

Answer: The EPA will fund the EPA cost share percentage of the new vehicle, up to the pervehicle funding cap. For specific per-vehicle funding caps and mandatory cost share percentages, please see Table 2 in Section III.B of the <u>Notice of Funding Opportunity</u> (<u>NOFO</u>). Note, the applicant cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the per-vehicle cost caps as shown in the table. *Date Posted: 4/29/2024*

New D.3: Is funding available for charging infrastructure?

Answer: Yes. The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>Notice of</u> <u>Funding Opportunity (NOFO)</u> represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure.

Eligible costs for charging infrastructure includes, but is not limited to, charging equipment (such as alternating current (AC) Level 2 charging equipment, direct-current (DC) fast charging equipment, or vehicle-to-grid (V2G) enabled equipment); design and engineering; installation costs such as trenching, wiring and electrical upgrades, labor, and permitting; and related intelligent equipment and software designed to monitor vehicle and infrastructure performance (such as telematics or charge management software).

Funding under this NOFO cannot be used for: utility-owned power distribution; transformers and their installation; electricity; operation and maintenance to utility systems; or non-renewable stationary on-site power generation systems (e.g., generators) and their installation. See Section III.D for eligible charging and fueling infrastructure costs and other infrastructure requirements.

Date Posted: 4/29/2024

New D.4: Is funding available for hydrogen fueling infrastructure?

Answer: Funding is available for fueling infrastructure for new hydrogen fuel cell vehicles. The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>Notice of Funding Opportunity</u> (<u>NOFO</u>) represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure.

Eligible costs for hydrogen fueling infrastructure include, but are not limited to, storage tanks, liquid and gaseous pumps and vaporizers, compressors, heat exchangers, chillers, piping and pipelines within the relevant facility, and high-pressure dispensers (including hose, nozzles, and meters) needed to fuel the new hydrogen fuel cell electric vehicles funded under the proposed project. See Section III.D of the NOFO for eligible charging and fueling infrastructure costs and other infrastructure requirements.

Date Posted: 4/29/2024

New D.5: Are funds available for costs on the utility's side of the electric meter?

Answer: Eligible infrastructure costs are limited to installations and upgrades on the customer's side of the electric meter. CHDV funding cannot be used for utility-owned power distribution; electricity; operation and maintenance to utility systems; or non-renewable (i.e., non-wind and non-solar) stationary on-site power generation systems (e.g., generators) and their installation. The EPA recommends reaching out to your utility for more information on the support they can offer on this work; the EPA has provided a <u>Utility Partnership Template</u>, available on <u>EPA's</u> <u>CHDV Grant Program webpage</u>, to support early conversations on this and other aspects of project planning for electric vehicles. State and other local funding may also be available for this work.

Date Posted: 4/29/2024

New D.6: *Is funding available to purchase diesel, biodiesel, gasoline, propane, or CNG vehicles and fueling infrastructure?*

Answer: No, Clean Heavy-Duty Vehicles (CHDV) funding may not be used to purchase diesel, biodiesel, gasoline, propane or CNG vehicles and fueling infrastructure. CHDV funding must be used to purchase battery-electric or hydrogen fuel cell vehicles. Please see Section III.D of the <u>Notice of Funding Opportunity (NOFO)</u>, and Q&A A.1 for more information on eligible costs and activities.

New D.7: Are workforce training costs eligible uses of CHDV funding?

Answer: Eligible project costs include driver, electrician, and mechanic training related to the maintenance and operation of new ZEVs and associated infrastructure. Eligible costs also include training to certify licensed electricians to install EVSE, such as certification through the Electric Vehicle Infrastructure Training Program (EVITP).

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New D.8: Are project costs outside the cost of the vehicle and infrastructure itself, such as personnel, fringe benefits, travel, scrappage, and vehicle delivery, subject to the per-vehicle caps listed in Table 2?

Answer: Project implementation costs are eligible uses of CHDV funding. Project implementation costs are not included in or subject to the per-vehicle caps listed in Table 2. Project implementation costs are defined in the Notice of Funding Opportunity as costs directly related to the implementation, management, and oversight of the project, including recipient and subrecipient personnel and benefits, eligible equipment, contractual services, travel, supplies, subgrants and rebates to supportive stakeholders, and indirect costs.

Date Posted: 4/29/2024

New D.9: Is additional funding available for ADA-compliant school buses?

Answer: Yes, ADA-compliant school buses are eligible for an additional \$20,000 per-vehicle funding cap (i.e., a total per-vehicle funding cap of \$300,000). *Date Posted: 4/29/2024*

New D.10: Can infrastructure and vehicle funding amounts be pooled together for all vehicles and infrastructure in the application, or do the per-vehicle caps represent the funding limit for each vehicle and associated infrastructure unit?

Answer: The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>Notice of Funding</u> <u>Opportunity (NOFO)</u> represent combined vehicle-infrastructure funding caps. The per-vehicle funding amount is dependent on the vehicle type and whether the replacement vehicle will be a battery-electric or hydrogen fuel cell vehicle. Funding for vehicles and charging infrastructure can be pooled, but the EPA will not pay for more than the cost share percentage listed in Table 2 per vehicle. Recipients have the flexibility to determine how to split this funding between vehicles and charging infrastructure for each vehicle in the proposed project; funds allocated for infrastructure across vehicles may be pooled for purchasing infrastructure that would support those vehicles. Note, funding beyond the per-vehicle levels is also available for project implementation costs (i.e., costs directly related to the implementation, management, and oversight of the project; see Q&A D.8 and Section III.D.4.b of the NOFO for more information on Project Implementation Costs).

New D.11: Is the cost of an electrician to install a charger for electric vehicles an eligible cost?

Answer: Yes, installation costs, including the cost of an electrician, are eligible costs. Note, all electricians installing, operating, or maintaining CHDV-funded EVSE electricians installing, operating, or maintaining EVSE are required to be certified from the Electric Vehicle Infrastructure Training Program (EVITP), or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation. For projects requiring more than one electrician, at least one electrician must meet the requirements above. See Section III.D of the Notice of Funding Opportunity (NOFO) for more information. *Date Posted: 4/29/2024*

New D.12: Are there tax credits available for purchasing zero-emission vehicles?

Answer: 2024 CHDV Grant Program selectees may be eligible for Inflation Reduction Act (IRA) tax credits applicable to certain zero-emission vehicles and infrastructure purchases; namely, the qualified commercial clean vehicle credit provides up to \$40,000 for qualified commercial clean vehicles (with gross vehicle weight ratings of 14,000 pounds or more, otherwise up to \$7,500). Take note that you must buy a commercial clean vehicle from a "qualified manufacturer" to be eligible for this credit. The Treasury Department's list of manufacturers for qualified commercial clean vehicles can be found on the Internal Revenue Service (IRS) webpage.

In addition, the alternative fuel vehicle refueling property credit provides up to \$100,000 for qualified refueling property. Please see the <u>IRS website for more information on these credits</u>.

Selectees may also be eligible to claim all or a portion of the value of IRA credits using either the new elective pay, and transferability mechanisms introduced by the IRS. For more information, please see the IRS website on elective pay and transferability.

We also recommend searching DOE's Alternative Fuels Data Center offers a listing of federal and state laws and incentives for alternative fuels and vehicles at https://afdc.energy.gov/laws. For additional incentives, search the Database of State Incentives for Renewables & Efficiency (DSIRE).

Date Posted: 4/29/2024

New D.13: Can federal tax credits (e.g., IRA 30C and 45W) be claimed on the replacement vehicle and charging infrastructure funded by CHDV Grant Program funds?

Answer: Claiming a tax credit would not trigger the 2024 CHDV Grant Program prohibition regarding stacking funds from federal incentive programs. Please monitor the <u>IRS website</u> for further guidance around how to claim or receive any tax credits.

Date Posted: 4/29/2024

New **D.14**: Is there a cost sharing or matching fund requirement for this grant program?

Answer: Yes. Applicants are subject to a mandatory cost share, as described in Section III.B.1. of the <u>Notice of Funding Opportunity (NOFO)</u>. Note, the mandatory cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the pervehicle cost caps described in Table 2 of the NOFO. Additionally, applicants are not required to,

but may also choose to commit to a voluntary cost share and/or leveraged resources, as described below under Sections III.B.2 and III.B.3 of the <u>NOFO</u>. The EPA will award evaluation points for voluntary cost share and leveraged funding commitments (see Sections IV.C and V.A for more information on evaluation criteria).

Voluntary cost sharing is when an applicant voluntarily proposes to legally commit to provide costs or contributions to support the project beyond what is required by the mandatory cost share. Voluntary cost share is subject to the same requirements as the mandatory cost share discussed above. A recipient is legally obligated to meet any proposed voluntary cost share that is included in the approved project budget. If the proposed voluntary cost share does not materialize during the performance period of the grant or cooperative agreement, the EPA may reconsider the legitimacy of the award and/or take other appropriate action as authorized by 2 CFR Part 200.

Leveraged resources or "**leveraging**" is when an applicant proposes to provide additional resources to support or complement the proposed project which are above and beyond the EPA grant funds that they are requesting. Unlike funding awarded as part of this funding opportunity or voluntary cost shares, these resources do not need to be spent on eligible or allowable costs as listed in Section III.D. Please see Section III.B of the <u>NOFO</u> for more information on the difference between voluntary cost share and leveraged resources. If applicants propose to leverage funds, the EPA expects them to secure the leveraged resources described in their applications. If the proposed leveraging does not materialize during the performance period of the grant or cooperative agreement, the EPA may reconsider the legitimacy of the award and/or take other appropriate action authorized under 2 CFR Part 200. *Date Posted: 4/29/2024*

New **D.15**: May an applicant apply for funding only to install or upgrade charging infrastructure?

Answer: No, standalone infrastructure projects are not eligible for funding under the 2024 CHDV Grant Program; however, other sources of Federal, state, or local funding may be available to support ZEV infrastructure. See the Department of Transportation's <u>Federal</u> <u>Funding Programs webpage</u> for other relevant funding opportunities. *Date Posted:* 4/29/2024

New D.16: Can grantees stack funds from other sources (e.g., third-party contributions, other grant programs, tax credits, etc.) with the funding awarded from the 2024 Clean Heavy-Duty Grants?

Answer: Applicants may stack private, state, or local funds with Clean Heavy-Duty Vehicles funds. Note, new replacement vehicles purchased with CHDV Grant funds must not be purchased or otherwise subsidized with other federal grant funds. Fleets can use non-federal funding sources as part of their vehicle replacement project, including private, state, and local funds, but must confirm with the source of those funds that they are not pass-through federal funds. Note, a tax credit would not trigger this prohibition regarding stacking funds from federal incentive programs (see Q&A D.13). Please monitor the <u>IRS website</u> for further guidance around how to claim or receive any tax credits.

E. Application Process

New E.1: *I am encountering issues registering for SAM.gov. What should I do if the Federal Service Desk (FSD) is not resolving the issue?*

Answer: The Federal Service Desk (FSD) is the official government support resource for SAM.gov. While awaiting a response from them, you may want to review the help resources on SAM.gov found <u>here</u>.

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New E.2: Are letters of support from offices of U.S. Senators or House members accepted for the CHDV Grant Program?

Answer: The EPA will consider letters of support from supportive stakeholders, including Congressional offices, which demonstrate strong, long-term involvement throughout the project. Letters should specifically indicate how project partners and supporting organizations will participate in or directly assist in the design and performance of the project, or how obtaining support from project partners will allow the applicant to more effectively perform the project. Applicants should, in their narrative, be clear how these letters are related to specific evaluation criteria. Letters should be addressed to the applicant organization and included as attachments to the application (use the "Other Attachments" form in <u>Grants.gov</u>). Letters submitted by partners directly to the EPA will not be will not reviewed or responded to. *Date Posted: 4/29/2024*

New E.3: What is the Assistance Listing Number for the Clean Heavy-Duty Vehicles Program?

Answer: The Assistance Listing Number (previously called the Catalog of Federal Domestic Assistance, or CFDA, number) for the 2024 Clean Heavy-Duty Vehicles Program is 66.049. *Date Posted:* 4/29/2024

New E.4: Will submitted applications be publicly available? Will submitted applications be subject to Freedom of Information Act (FOIA) requests?

Answer: In concert with the EPA's commitment to conducting business in an open and transparent manner, copies of applications submitted under this NOFO may be made publicly available on the CHDV website or other public website for a period of time after the selections are announced. The Agency protects competitive proposals/applications from disclosure under applicable FOIA provisions prior to the completion of the competitive selection process. Note, however, that applications submitted under this <u>Notice of Funding Opportunity (NOFO)</u> may be released in part or in whole in response to a FOIA request after completion of the competitive selection process. Therefore, the EPA recommends that applications not include trade secrets or commercial or financial information that is confidential or privileged, or sensitive information, if disclosed, that would invade another individual's personal privacy (e.g., an individual's salary, personal email addresses, etc.). If such information is included, it will be treated in accordance with 40 CFR § 2.203.

New E.5: Where can I find my SAM.gov Unique Entity ID (UEI)? Answer: For guidance on how to find your SAM.gov UEI, please see the <u>SAM.gov UEI</u> webpage. Date Posted: 4/29/2024

New E.6: *Can an eligible vehicle that will be replaced appear on more than one application?* **Answer:** Existing vehicles that will be replaced may only appear on one application.

Although, buses listed on a previous funding opportunity's application, but not yet selected, may be listed on the application for the current funding opportunity. If selected for funding, changes may need to be made to either the grant project or the rebate application to ensure that distinct buses are replaced under each funding opportunity.

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New E.7: In a nutshell, how does the application process work?

Answer: The <u>Notice of Funding Opportunity (NOFO)</u> describes all the project eligibility and application submission information. The NOFO, as well as a sample project narrative and all related materials (including standard forms (SF) 424, SF 424A, EPA Form 4700-4, and the EPA form 5700-54 from Grants.gov under Funding Opportunity Number EPA-OAR-CHDV-24-06) may be found on EPA's <u>CHDV Grant Program webpage</u>. The project narrative and any supporting documents should be attached to the application package, and the full package submitted to the EPA through Grants.gov. You will find instructions to submit your application through Grants.gov in Section IV of the <u>NOFO</u>.

Please refer to the application submission checklist in Appendix B to ensure that all required information is included in your package. Application packages must be submitted electronically to the EPA through Grants.gov no later than Thursday, July 25, 2024, at 11:59 p.m. Eastern Time (ET) in order to be considered for funding.

If your organization is not currently registered with Grants.gov, please begin the registration process as soon as possible since the process can take several weeks or more. Please note that the registration process also requires that your organization have a Unique Entity Identifier (UEI) and a current registration with the System for Award Management (SAM.gov). Please visit <u>SAM.gov</u> to check the status of your organization's SAM registration.

SAM.gov registration and UEI number: If you have never done business with the Federal Government, you will need to first obtain a login.gov account. This will enable you to register with SAM.gov to obtain a Unique Entity Identification number (UEI), a 12-character alphanumeric ID. The UEI is required to register in Grants.gov and complete the grant application. Applicants must ensure that all registration requirements are met to apply for this opportunity through Grants.gov and should ensure that all such requirements have been met well in advance of the application submission deadline.

• If you have previously done business with the Federal Government, you may verify your entity status using your government issued UEI, to determine if your registration is active. SAM.gov requires you to renew your registration every 365 days. Applicants

should also ensure that their SAM.gov registration includes a current e-Business (EBiz) point of contact name and email address, as this information is critical for Grants.gov Registration and system functionality.

- Contact the Federal Service Desk for help with your SAM.gov account, to resolve technical issues or chat with a help desk agent: (866) 606-8220. The Federal Service desk hours of operation are Monday – Friday, 8am – 8pm ET.
- The process to get a new or update a SAM.gov account can take significant time so any potential applicants should start this process as soon as possible.

Date Posted: 4/29/2024

New E.8: When are applications due?

Answer: The deadline for submitting applications electronically to the EPA through <u>Grants.gov</u> is Thursday, July 25, 2024 at 11:59 p.m. Eastern Time (ET). Late applications will not be considered for funding. The EPA recommends not waiting until close to the deadline to submit to reduce the risk of technical or other issues causing a user to miss the application period. *Date Posted:* 4/29/2024

New E.9: What should I do if the "Apply" button is grayed out in Grants.gov?

Answer: If the submit button is grayed out, it may be because you do not have the appropriate role to submit in your organization. Only person(s) with the Authorized Organization Representative (AOR) role can submit applications in Grants.gov. You may wish to review the Intro to Grants.gov-Understanding User Roles and Learning Workspace – User Roles and Workspace Actions for details on this important process. If you do have the appropriate role to submit in your organization and the button is still grayed out, please contact the Grants.gov Support Center for assistance at support@grants.gov or 1-800-518-4726. Date Posted: 4/29/2024

F. Selection

New F.1: Will projects located in nonattainment and maintenance areas be prioritized?

Answer: Applicants are evaluated based on the criteria defined in Section V.A of the <u>Notice of</u> <u>Funding Opportunity (NOFO)</u>. Nonattainment and/or maintenance areas are one component of the Environmental Justice and Disadvantaged Communities evaluation criterion. Please see and Section I.C of the NOFO for the full definition of Environmental Justice and Disadvantaged Communities.

Date Posted: 4/29/2024

New F.1: How do the CHDV Grants define "EJ and Disadvantaged Communities"?

Answer: The CHDV Notice of Funding Opportunity defines EJ and Disadvantaged Communities as geographic areas that meet **both** of the following criteria:

1. Any county that includes at least one of the following:

A. Any census tract that is included as disadvantaged in <u>Climate and Economic Justice</u> <u>Screening Tool</u> (CEJST) version 1.0; and/or B. Any census block group that is at or above the 90th percentile for any of <u>EJScreen's</u> <u>Supplemental Indexes</u> when compared to the nation or state; and/or

C. Any geographic area within Tribal lands and indigenous areas as included in EJScreen

<u>AND</u>

2. Any county that meets at least one of the following criteria:

A. Contains at least one designated nonattainment area or maintenance area for any of the following National Ambient Air Quality Standards. Data is sourced from the <u>EPA's Green Book</u> of <u>Nonattainment Areas for Criteria Pollutants</u>:

- a. PM2.5 1997 Standard (Annual: 15 µg/m3, 24-hour: 65 µg/m3)
- b. PM2.5 2006 Standard (Annual: 15 µg/m3, 24-hour: 35 µg/m3)
- c. PM2.5 2012 Standard (Annual: 12 µg/m3, 24-hour: 35 µg/m3)
- d. Ozone (O3) 2008 Standard (8-hour: 0.075ppm)
- e. Ozone (O3) 2015 Standard (8-hour: 0.070ppm)

B. Contains at least one census tract where the modeled ambient diesel PM concentration from the 2019 Air Toxics Screening Assessment is above the 80th percentile (0.38 µg/m3 for 2019) for census tracts nationwide. The 80th percentile is a programmatic cutoff designed to help evaluate those areas that are most likely to have higher concentrations of diesel PM in the year of analysis (i.e., the year for which data are available); this level was not chosen based on risk or other health-based criteria or thresholds. <u>AirToxScreen</u> is a screening tool and there are limitations and uncertainties associated with it; see: <u>AirToxScreen Limitations</u>.

Date Posted: 4/29/2024

New F.2: Are the EPA funds being allocated on a regional or state basis?

Answer: To ensure geographic diversity of projects, the EPA anticipates awarding the approximate amounts listed in Table 1 of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> within each of the EPA's ten Regions. Note, these funding amounts are subject to the availability of funds, the quantity and quality of applications received, agency priorities, and other applicable considerations.

New F.3: How are applicants selected for funding?

Answer: Applications will first be evaluated against the threshold factors listed in Section III.C of the <u>Notice of Funding Opportunity (NOFO)</u> and the technical factors listed in Section III.D of the NOFO. Only those applications which meet all the threshold and technical factors will move on to the next step of the review process. Applications that meet all of the threshold and technical factors will then be reviewed by Regional review panels using the evaluation criteria in Section V.A of the NOFO. Each application will be given a numerical score and will be rank ordered by the review panel. Preliminary funding recommendations will be provided to the EPA selection official based on these reviews and rankings. Final funding decisions will be made by the EPA selection official for each sub-program based on the rankings, the statutory requirement to award \$400 million to nonattainment projects, the geographic distribution and Tribal and territories set-aside as described in Section II.C., and other factors as described below in Section V.C.

Date Posted: 4/29/2024

G. Scrappage, Sale, or Donation of Existing Vehicles

New G.1: Can CHDV funds be used to purchase new vehicles without replacing existing vehicles? Can funding be used to expand a fleet?

Answer: No, CHDV funding cannot be used for the purchase of vehicles to expand a fleet. The vehicle being replaced must be scrapped, sold, or donated by the end of the project period. Note, disposition options may be limited by the vehicle model year of the existing vehicle. Please see Section III.D of the <u>NOFO</u> for more details on disposal requirements.

Date Posted: 4/29/2024

New G.2: Is there a requirement that the new vehicle be owned by the same fleet that owned the old vehicle?

Answer: No. There is no requirement that the new vehicle be owned by the same fleet that owned the old vehicle. If selected for funds by the EPA, an applicant organization (i.e., a school district), could receive the funds and would be responsible for fulfilling the program requirements. The applicant can enter into a contractual arrangement with a fleet regarding ownership of specific vehicles and passing award funds through to the fleet. The EPA will not be involved in this contractual arrangement.

Date Posted: 4/29/2024

New G.3: When must existing vehicles be scrapped, sold, or donated?

Answer: Existing vehicles must be scrapped, sold, or donated, in accordance with the disposition requirement for the vehicle model year, by the end of the project period. Please refer to Section III.D of the <u>NOFO</u> for more details on disposal requirements.

New G.4: Is there a scrappage requirement?

Answer: Existing vehicles being replaced must be scrapped, sold, or donated. Note, disposition options may be limited by the vehicle model year of the existing vehicle. Please see Section III.D of the <u>NOFO</u> for more details on disposal requirements. Scrappage is a key component of this program as it reduces the number of older vehicles in use and their resulting emissions. *Date Posted:* 4/29/2024

H. Terms & Conditions

H.a. General

New H.a.1: What standard must chargers meet?

Answer: All AC Level 2 charging infrastructure purchased under this program must be <u>EPA</u> <u>ENERGY STAR</u> certified at the time of purchase. The EPA strongly recommends that all other charging infrastructure (e.g., DC Fast chargers) funded under this program be listed by Nationally Recognized Testing Laboratory (NRTL). *Date Posted:* 4/29/2024

H.b. Build America, Buy America (BABA)

New H.b.1: Are school buses subject to BABA?

Answer: No.

Date Posted: 4/29/2024

New H.b.2: Does Build America, Buy America Act (BABA) apply to the CHDV Program?

Answer: Yes, the CHDV Grant Program is subject to the requirements of Section 70912(5) of the Build America, Buy America Act (BABA), which requires that applicants apply a Buy America preference to funding under this program. Pursuant to the Statute, the Buy America preference applies to all Federal financial assistance where funds are appropriated or otherwise made available and used for a project for infrastructure. 2 CFR part 184 clarifies that infrastructure encompasses, at a minimum, the "structures, facilities, and equipment" for projects including roads, highways, and bridges; public transportation; and utilities. Infrastructure also includes structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging.