

Clean Heavy-Duty Vehicles Grant Program (RFA# EPA-R-OAR-CHDV-24-06)**Questions and Answers: 2025 Supplement**

Friday, March 28, 2025

This is a supplement to the [Questions and Answers document published by EPA on December 26, 2024](#) and contains new guidance for the benefit of prospective organizations and/or those awarded 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.

D. Eligible Costs & Funding Amounts

D.2: *Can the EPA explain how the per-vehicle cap works under the CHDV grant program?*

Answer: The EPA Cost Share Percentage of New Vehicle Price listed in Table 2 of the [Notice of Funding Opportunity \(NOFO\)](#) applies only to the new vehicle, not the new vehicle and infrastructure; therefore, the Mandatory Cost Share for selectees is only the remaining cost of the vehicle. Infrastructure costs are not included in Mandatory Cost Share, though they are included in the per-vehicle funding cap. As stated on p.18 of the NOFO, "There is no similar cost share for infrastructure, but infrastructure costs are included in the per-vehicle funding cap." The Per-Vehicle Funding Cap (Vehicle and Infrastructure) listed in Table 2 of the NOFO includes both vehicle and infrastructure costs. All vehicle and infrastructure costs incurred with the equipment, including telematics/software and infrastructure installation, are included in the per-vehicle caps listed in Table 2 of the NOFO. Vehicle delivery costs and workforce training costs purchased separately from the new equipment are considered project implementation costs and separate from the per-vehicle funding caps. Note, the mandatory cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the combined vehicle and infrastructure per-vehicle cost caps shown in Table 2 of the NOFO.

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D.73: *If a grantee is passing funds as Participant Support Costs to their contracted school bus operator for the procurement of new electric school buses, do the 2 CFR Part 200 procurement rules apply to the contracted school bus operator's purchase of the vehicles and equipment?*

Answer: No. The Uniform Grant Guidance at 2 CFR Part 200, including the procurement requirements at 200.317-327, do not "flow down" to beneficiaries receiving Participant Support Costs. Please refer to Appendix A of the CHDV [NOFO](#) for additional information on when it is appropriate to use subawards, contracts, and/or participant support costs.

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D.74: *Are workforce development costs and community engagement costs independent of the maximum per-vehicle and infrastructure funding that is listed in Table 2 of the CHDV NOFO?*

Answer: Workforce training costs that are purchased separately from the new vehicle and/or infrastructure (i.e., not included in the purchase order for the new equipment) are project implementation costs and thus are not included in the per-vehicle caps shown in Table 2 of the CHDV [NOFO](#). Similarly, costs associated with community engagement are also project implementation costs. Project implementation costs are further defined in Section III.D.5 of the NOFO.

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D.75: *Can a portion of the infrastructure amount awarded be used for permitting and necessary reviews (e.g., Endangered Species Act)?*

Answer: As described in Section III.D.4 of the [NOFO](#), permitting is included as an eligible infrastructure cost. Additional costs for necessary reviews (e.g., Endangered Species Act) may be eligible project implementation costs. Please contact your EPA Project Officer with any additional questions on this topic.

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D.76: *Where can I find additional information on proper draw down procedures, including any information on timing of draw downs and any potential interest earned?*

Answer: Please refer to the [EPA General Terms and Conditions](#) (T&Cs), Section 5 “Automated Standard Application Payments (ASAP) and Proper Payment Draw Down Electronic Payments” for detailed information on proper draw down procedures.

As outlined in 2 CFR Part 200.305, recipients generally must maintain advance payments of Federal funds in interest-bearing accounts, time drawdowns and spending to minimize interest accrual, and return any excess funds to the EPA as specified in the regulations. CHDV grant recipients and subrecipients must be able to account for all Federal funds received, obligated, and expended, including interest earned.

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G. Scrappage, Sale, or Donation of Existing Vehicles

G.11: *Can a grantee scrap an eligible existing vehicle prior to purchasing a new eligible replacement vehicle?*

Answer: Yes, existing vehicles can be scrapped any time during the project period, i.e., after final award. However, the grantee must make sure they follow the scrappage documentation requirements outlined in the Terms & Conditions of their award.

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H. Terms & Conditions

H.a. General

H.a.7: What are the "program income requirements" mentioned in Section III.D.6.k of the NOFO?

Answer: Under the 2024 CHDV Grant Program, program income requirements apply to Engine Model Year 2011 or newer existing vehicle sales and the sale of scrapped vehicle parts such as disabled engines, disabled vehicles, and disabled equipment. The recipient is authorized to retain program income earned during the project period for use on the project. Program income shall be added to funds committed to the project by EPA and included in subsequent grant reporting. Note that a report on the amount of program income earned during the award period must be submitted with the Final Federal Financial Report, Standard Form 425. For more information on program income, refer to Section O of the CHDV Terms and Conditions.

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H.a.29: *Where can I find additional guidance on cybersecurity requirements applicable to CHDV grantees?*

Answer: Cybersecurity requirements applicable to CHDV grantees are found in the CHDV Program's Terms & Conditions and largely refer to following all applicable State law cybersecurity requirements unless a grantee is directly connecting to an EPA data system. For more information, please refer to slide 36 from the [12/17/24 Clean Heavy-Duty Vehicles Grant Program Fiscal Responsibilities and Q&A Session for Selectees](#).

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H.a.30: *Could you please clarify the reporting expectations for projects where the Davis-Bacon provisions apply under the Clean Heavy-Duty Vehicles (CHDV) grant program? Specifically, what documentation or timelines should grant recipients adhere to for compliance?*

Answer: Additional information on the Davis-Bacon and Related Act (DRBA) regulations can be found [here](#). The CHDV Terms & Conditions also include additional information on DBRA. Please consult with your EPA Project Officer for any additional questions on this topic.

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H.a.31: *Is money received from the scrap or sale of an existing vehicle considered "program income"?*

Answer: Yes. "Program Income" from the sale of an existing vehicle is the amount of funds received from the sale less any remaining loan or other fees owned on the vehicle that was sold. For additional information, please refer to Q&A H.a.7.

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

H.b.8: *Is a Build America, Buy America (BABA) waiver available for CHDV projects?*

Answer: Project-level waivers may be applicable depending on certain factors. Please monitor the [EPA's Build America, Buy America website](#) regarding approved EPA program waivers and for information on applying for project-level waivers.

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H.b.9: *Do vehicles purchased using Clean Heavy-Duty Vehicles Program funds need to be BABA compliant?*

Answer: All CHDV projects must meet applicable BABA requirements. Specific applicability is dependent on the vehicle type, purpose, and other project aspects. EPA Project Officers can provide additional information on the factors for determining BABA applicability of non-school bus vehicles and equipment. Please refer to Q&A H.b.5 for more information on school buses under the CHDV Grant Program.

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I. Grant Administration

I.1: *Can a school system use an existing contract if the contract already went through a competitive procurement process that meets 2 CFR Part 200 requirements?*

Answer: Pre-existing contracts that meet the 2 CFR Part 200 requirements can be used to procure goods or services under the CHDV Grant Program; however, the existing contract must be within scope of the grant (e.g., providing goods and services that are eligible project costs under the CHDV Grant Program, as defined in the NOFO).

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I.2: *Could the EPA clarify next steps and timelines for finalizing CHDV awards, including any requirements or documentation the tentative awardee needs to complete in order to secure funding? Additionally, at what point does the status transition from 'tentative awardee' to 'awardee'?*

Answer: Once applicants receive a tentative notification of selection, then they should begin working closely with their EPA Project Officers to finalize proposed workplans and budgets, as needed. EPA Project Officers will work closely with CHDV selectees to ensure that all documentation is completed prior to finalizing awards. Once awards are finalized, then selectees transition to "grantees" (or "recipients").

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I.3: *Is time of closeout when the buses are delivered or when the buses start being used?*

Answer: Closeout occurs when grantees complete the activities and deliverables included in their final workplan, which will typically include delivery and implementation of the new vehicles and charging equipment. If all project workplan activities and expenditures are completed prior to the end of the assistance agreement project period, then the grantee should complete project closeout documentation at that time.

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