

## ***National Clean Diesel Construction Equipment Funding Opportunity***

### ***Frequently Asked Questions***

The questions and answers below are provided to assist eligible organizations in applying for rebates on construction equipment engine replacements and retrofits through the National Clean Diesel Rebate Program. Complete program information and guidelines can be found at:  
[www.epa.gov/cleandiesel/dera-rebate-construction.htm](http://www.epa.gov/cleandiesel/dera-rebate-construction.htm)

#### **Rebate Application Process and Timeline**

***Question: How early can I submit my rebate application? What is the deadline for submitting my completed application and supporting information?***

Applications for the Construction Equipment Rebate Program will be accepted beginning November 20, 2013. Applications must be received by EPA before **4:00 pm EST on Wednesday, January 29, 2014** to be considered.

***Question: Where can I find the rebate application?***

The application can be downloaded from [www.epa.gov/cleandiesel/documents/2013-clean-diesel-rebate-application.pdf](http://www.epa.gov/cleandiesel/documents/2013-clean-diesel-rebate-application.pdf) as a fillable Portable Document File (PDF). The application can be completed and the information saved on the electronic form. Once completed, it must be printed, **signed** and scanned as a PDF for submission to the Rebate Program. Please make sure you have **signed** the application before it is submitted.

***Question: How do I submit the application?***

You must complete, print, **sign**, and scan the completed Rebate Application. Email the **signed** PDF application, along with a scanned copy of the equipment's original bill of sale, invoice or other ownership documentation, to [CleanDieselRebate@epa.gov](mailto:CleanDieselRebate@epa.gov). Please include **DERA Construction Equipment Rebate Application: [your organization's name]** in the subject line. If you do not have access to email, please call 202-343-9231 for assistance. **See Section 3.1 of the Construction Equipment Program Guide for additional information.**

***Question: How will requests be prioritized and selected to receive funding?***

Rebate applications are not prioritized for funding. All applicants who meet the eligibility requirements described in the Program Guide and who have submitted their application package to EPA by **Wednesday, January 29, 2014, 4:00 pm EST** will be included in a random selection process.

All eligible applications will be assigned a unique identification number and applicants will be selected through a random number generator. EPA will reserve rebate funds for selectees, in the order in which they are selected, until all available funding has been reserved. **See Section 2.4 of the Guide for additional information.**

***Question: How will I know if my application has been selected?***

Selected applicants will receive a Selection Letter via email. The letter will outline the steps that must be taken and the timeframe in which each step must be completed in order to receive the rebate funds. **See Sections 3.3 and 4.3 of the Guide for additional information**

**Question: What technology options are eligible for funding?**

There are two options under this Funding Opportunity:

**Technology Option #1:** Diesel-powered engines equipped with a Tier 2 or Tier 3 emission standard nonroad construction engine are eligible for the Diesel Particulate Filter (DPF) retrofit option only. **See sections 2.3 and 3 of the Program Guide for detailed information.**

**Technology Option #2:** Diesel-powered engines equipped with an unregulated (Tier 0) or Tier 1 emission standard nonroad construction engines are eligible for the engine replacement option as shown on the chart below. **See sections 2.3 and 4 of the Program Guide for detailed information.**

**Question: What rebate amounts are available for each of the technologies?**

**Table 1 - Technology Option #1: Construction Equipment Rebate Program Rebate Amount**

Original Emissions Tier	New Technology	Rated Power 130 ≤ kW < 225 174 ≤ hp < 301	Rated Power 225 ≤ kW < 450 301 ≤ hp < 603
Tier 2 or Tier 3	Diesel Particulate Filter	Not Eligible	\$30,000 Max  (Eligible Engine Model Years 2001-2010)

**Table 2 - Technology Option #2: Construction Equipment Rebate Program Rebate Amount**

Original Emissions Tier	New Technology	Rated Power 130 ≤ kW < 225 174 ≤ hp < 301	Rated Power 225 ≤ kW < 450 301 ≤ hp < 603
Unregulated (Tier 0) or Tier 1	Engine Replacement to Tier 2	\$12,000  (Eligible Engine Model Years: 1990-2002)	\$49,000  (Eligible Engine Model Years: 1990-2000)
Unregulated (Tier 0) or Tier 1	Engine Replacement to Tier 3	\$15,000  (Eligible Engine Model Years: 1990-2002)	\$69,000  (Eligible Engine Model Years: 1990-2000)

**Question: Can I replace my unregulated or Tier 1 engine with a Tier 4i engine?**

For applicants interested in replacing their unregulated or Tier 1 engine with a Tier 4i engine, please note that these applications are being considered on a case-by-case basis. The Tier 4i rebate would be at the same level as the Tier 3 rebate for the appropriate horsepower category. Please note that some Tier 4i engines may not be available or fit when replacing an unregulated or Tier 1 engine.

**Question: What is the timeframe for completing the Construction Funding Opportunity requirements for Technology Option 1?**

Selected applicants must complete the following steps to receive reimbursement.

- 1) **Within 45 days** of the date of the Selection Letter, the selectee must submit the results of the data-logging software on the engine to be retrofitted. For more information and to set-up the data-logging process, contact your diesel particulate filter vendor.

- 2) **Within 90 days** of the date of the Selection Letter, the selectee must submit a purchase order for the new diesel particulate filter. Note: The date of the purchase order cannot pre-date the date of the selection letter.
- 3) **Within 12 months** of the date of the Selection Letter, the selectee must
  - a) Take delivery of and install the DPF.
  - b) Submit a "Payment Request" form.
  - c) Submit a copy of the invoice and the bill of lading (proof of delivery) for the new DPF. **See Section 3.7 for the information that is required to be included on the invoice and bill of lading.**

EPA will review the submitted information to determine that all terms and conditions have been met. **See Sections 3.4 through 3.8, and Section 5 of the Program Guide for complete information.**

***Question: What is the timeframe for completing the Construction Program requirements for Technology Option 2?***

Selected applicants must complete the following steps to receive reimbursement.

- 1) **Within 90 days** of the date of the Selection Letter, the selectee must submit a purchase order for the new replacement engine. Note: The date of the purchase order cannot pre-date the date of the selection letter.
- 2) **Within 12 months** of the date of the Selection Letter, the selectee must
  - a) Accept delivery of and install the new engine
  - b) Scrap the old engines. **See Section 4.5.2 of the program Guide for details about scrappage requirements.**
  - c) Submit a "Payment Request" form'
  - d) Submit documentation of scrappage of the old engine.
  - e) Submit a copy of the invoice, and a copy of the bill of lading (proof of delivery) for the new engine. **See Section 4.6 for what information must be on the invoice or bill of lading.**

EPA will review the submitted information to determine that all terms and conditions have been met. **See Sections 4.4 through 4.7.and Section 5 of the Guide for additional information.**

***Question: What is "data logging" and when am I required to submit that information?***

Data logging is required only for Technology Option 1. It is a way to determine if a DPF will be compatible with your engine. If selected, applicants will have 45 days to data log the proposed engine to confirm suitability for a diesel particulate filter. Data logging can be arranged with your diesel particulate filter vendor.

***Question: How long will it take to receive the rebate after we submit the final documents?***

After the documentation package has been received and reviewed to determine completeness, it may take up to 3 weeks for reimbursement. The rebates will be processed electronically. Selectees who fail to meet the required terms and conditions of the program in the designated timeframe will not receive a rebate and will forfeit all reserved funds.

***Question: The program guide states that an applicant can submit a single application for up to five engines. Are the program's rebate amounts per engine or per applicant?***

Applicants may submit only one Rebate Application that includes up to five eligible nonroad construction equipment engines. The five engines can be any combination of the options shown in the above table, not to exceed a total rebate of \$120,000. A single application may include both technology options, i.e. an applicant could apply for DPF and a replacement engine on the same application.

**Question: *The Guide specifies that the equipment must be located in one of the eligible counties and continue to operate for 12 months or 500 hours in the application county. Construction jobs may not last as long as this requirement. Can a project be eligible and meet program goals if the continuing operation were in any of the eligible counties?***

As long as it operates in a priority county for 12 months or 500 hours after the rebate payment has been made, and the technology is installed, the equipment would be eligible for participation in the program.

The term “priority county” refers to the primary area where the equipment engines operate, or the primary area where the emissions benefits of the project will be realized. If the equipment moves out of the application county, the equipment must move to one of the other priority counties in the Priority County List to remain eligible for the rebate. EPA may conduct audits up to 3 years after the rebate payment to ensure these conditions are met. If the equipment is moved to a non-priority county before the 12 month or 500 hours requirement is met, the rebate funds may have to be returned to EPA.

**Question: *What criteria did EPA use to select the priority counties?***

The counties listed in Appendix A were selected as eligible areas for the 2013 Construction Equipment Funding Opportunity based on data from a number of sources. The sources include counties:

- Designated as PM 2.5 or 8-Hr Ozone Nonattainment Areas or 8-Hr Ozone Maintenance Areas. Data is sourced from EPA’s Green Book of Nonattainment Areas for Criteria Pollutants.
  - [www.epa.gov/oaqps001/greenbk/](http://www.epa.gov/oaqps001/greenbk/)
- Where all or part of the population is exposed to more than 2.0 µg/m<sup>3</sup> of diesel particulate matter emissions. Data is sourced from the 2005 National-Scale Air Toxics Assessment.
  - [www.epa.gov/ttn/atw/nata2005/](http://www.epa.gov/ttn/atw/nata2005/)
- Accepted to participate in EPA’s Ozone Advance Program or PM Advance Program by Tuesday, November 19, 2013.
  - [www.epa.gov/ozoneadvance/basic.html](http://www.epa.gov/ozoneadvance/basic.html)
  - [www.epa.gov/ozoneadvance/basicPM.html](http://www.epa.gov/ozoneadvance/basicPM.html)

## **Eligibility**

**Question: *Do I have to own the equipment in order to be eligible for a construction equipment engine replacement?***

Yes. At the time of application, you must own and operate the equipment for which funds are being requested. Ownership must be documented by providing a copy of the original bill of sale, original invoice, or other documentation that demonstrates ownership of the equipment.

**Question: *What if I plan to relocate a piece of equipment after I have received a rebate reimbursement?***

Starting on the date of the rebate payment, the equipment must operate in one of the priority counties listed at: [www.epa.gov/cleandiesel/documents/2013-construction-county-list.pdf](http://www.epa.gov/cleandiesel/documents/2013-construction-county-list.pdf) for 12 months or 500 hours of usage, whichever comes first. The priority county must be the primary area where the equipment engines operate, or the primary area where the emissions benefits of the project will be realized. If the equipment moves out of the application priority county, the equipment must move to one of the other priority counties in the Priority County List to remain eligible for the rebate. EPA may conduct audits up to 3 years after the rebate payment to ensure these conditions are met.

**Question: *Is my organization eligible?***

Please see the eligibility flow chart to help you determine if your entity is eligible.

[www.epa.gov/cleandiesel/documents/2013-dera-construction-rebate-eligibility.pdf](http://www.epa.gov/cleandiesel/documents/2013-dera-construction-rebate-eligibility.pdf)

**Question: Are projects that are mandated under federal, state, or local laws or projects that are required under a contract eligible for funding? (e.g. A government agency requires all construction equipment meet Tier 2 standards to work on the highway construction site)**

Federally mandated projects are not eligible but the funding can be used to meet state and local mandates.

### **Engine and Scrappage Requirements**

**Question: Must the engine being replaced be currently in use?**

The existing construction equipment must currently operate on diesel fuel, be in regular use, and in operational condition to qualify for funding. In order to be considered operational, the equipment must be able to start, have all operational parts, and perform its intended function. Construction equipment engines to be replaced or retrofitted must have accumulated at least 500 annual usage hours over the most recent 12 months.

**Question: What if the equipment has more than one engine?**

If the equipment has more than one engine, all engines are eligible provided all engines on the application meet the operational, annual usage hours and power-rating requirements.

**Question: What is the reason for reporting annual usage hours and fuel use? What should I do if I do not know this information?**

This information is required so EPA can calculate the emission reductions from replacing or retrofitting the existing engine. Applicants should do their best to obtain the most accurate information possible.

**Question: Does the engine have to be a particular type to be eligible?**

Only diesel powered engines that meet the criteria in Tables 1 and 2 are eligible. **See Section 2.5 of the program Guide.**

**Question: Can my engine's horsepower be below or above the specified horsepower ranges?**

No, only engines that fall into the specified horsepower ranges for each technology option are eligible.

**Question: Does the retrofit technology option require a verified (EPA/CARB) retrofit product?**

Only verified Diesel Particulate Filters are eligible under this technology option. A list of eligible, EPA verified exhaust control technologies is available at: [www.epa.gov/cleandiesel/verification/verif-list.htm](http://www.epa.gov/cleandiesel/verification/verif-list.htm); a list of eligible, California Air Resources Board (CARB) verified exhaust control technologies is available at: [www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm). Verified technologies proposed for funding under this category must be specifically named on one of these lists at the time of application to the rebate program, and must be used only for the vehicle application specified on the list.

**Question: Are equipment replacements eligible?**

No, only engines are eligible for replacement under this funding opportunity.

**Question: Does the HP on the application refer to the existing engine or new engine? We are replacing a larger engine with a smaller one.**

The horsepower field on the application refers to the existing engine targeted for replacement. The new engine must be of the same horsepower or within 10% of the engine horsepower being replaced and operate in the same manner as the original engine. All replacement engines must meet Federal safety standards and required warranties.

**Question: Does this rebate apply to large diesel lawnmowers or athletic field maintenance tractors? Also, is the rebate for the equipment itself or engines only?**

This rebate funding opportunity applies only to non-road construction equipment. The vehicles that you inquire about would not be eligible for this program.

**Question: Are alternative fuel engines eligible?**

No, only certified diesel powered engines are eligible.

**Miscellaneous**

**Question: Is funding anticipated for other rebates in the future? If so, is there any anticipated time frame for this?**

EPA anticipates offering additional rebate opportunities in the future to retrofit, repower or replace other types of diesel engines in various sectors. Future rebate funding opportunities will be based on program goals and available funding, among other factors.

The DERA program also offers grant funding. Information about future grants will be provided later this year. You may sign up to receive e-mail updates for notification of any future rebate or grant opportunities at [www.epa.gov/cleandiesel/dera-rebate-construction.htm](http://www.epa.gov/cleandiesel/dera-rebate-construction.htm)

**Question: How do we sign up for the rebate because without help you will put us out of business and a lot of other people like us?**

This funding opportunity is completely voluntary. It is intended to provide financial assistance to public and private construction equipment owners for engine replacements and/or exhaust controls on older construction equipment.

Complete program information and guidelines can be found at: [www.epa.gov/cleandiesel/dera-rebate-construction.htm](http://www.epa.gov/cleandiesel/dera-rebate-construction.htm)