

National Clean Diesel Funding Assistance

FY 2013 Request for Proposals Tribal Focused Information Session

Hello! My name is Rosalva Tapia, I will be presenting the session today.
We will begin the webinar shortly.

For audio, please dial 1-866-299-3188,
code#: 202.343.9534

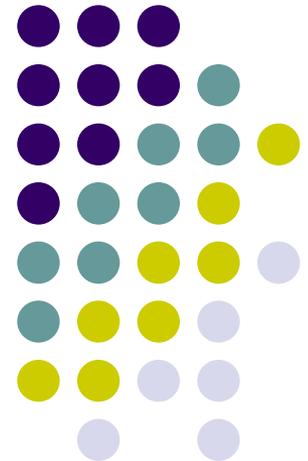
- All lines will be muted, but please mute your phones as a added precaution.
- Please do not put this call on hold (as many times music interrupts the presentation).
- Please type your questions into the question box at any time and we will address as many as possible after the presentation.
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- Handouts for this presentation are available at www.epa.gov/cleandiesel/prgnational.htm. ¹

National Clean Diesel Funding Assistance

FY 2013 Request for Proposals
Tribal Applications Focused
Information Session



National Clean Diesel Campaign





Why Clean Diesel?

- Diesel engines are the workhorses of the nation; millions of diesel engines already in use continue to emit large amounts of nitrogen oxides, particulate matter and air toxics
- These emissions are linked to premature deaths, asthma attacks, lost work days, and other health impacts every year

Diesel Emissions Reduction Act- Reauthorized (DERA 2)

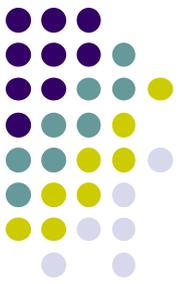


- DERA was amended by the Diesel Emissions Reduction Act of 2010 (Public Law 111-364)
- Enables EPA to offer funding assistance
 - Goal to reduce diesel emissions
 - Competitive process for eligible entities
 - Authorized through 2016
- DERA 2
 - Removed requirement that 50% of funds be used for public fleets
 - Removed restriction on using funds for programs mandated by state or local law

Basic Information



- National Funding Assistance Program
 - Estimated Fiscal Year 2013 funding - **\$9 million**
 - ~ up to \$1 Million will be set aside for Tribal Applications
 - Includes all non-tribal and tribal awards
 - Available at www.epa.gov/cleandiesel/prgnational.htm
- Due Tuesday, June 25, 2013
 - Specific times/instructions specified (Section IV)
- Two submittal options (choose only ONE):
 - Overnight/Express hardcopy (Fed Ex, etc. – no U.S. Postal Service)
 - Via www.grants.gov



Eligible Entities (Section III.A)

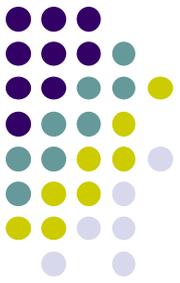
- Regional, state, local, tribal or port agency with jurisdiction over transportation or air quality; and
- Nonprofit organization or institution which
 - Represents or provides pollution reduction or educational services to persons or organizations that operate diesel fleets; or
 - Has, as its principle purpose, the promotion of transportation or air quality
- Ineligible entity can partner with eligible entity

Eligible Grant Amount for Tribal Applications



- The tribal application amount range is \$30K to \$800K
- Each proposal must be for a requested amount within that specified range
- This amount could dictate the size and type of your project (e.g., how many vehicles, what type of technology, etc.)

Eligible Vehicles, Engines & Equipment (Section I.B.1)



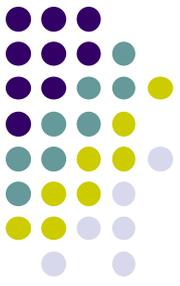
- May include, but are not limited to
 - Buses;
 - Medium-duty or heavy-duty trucks;
 - Marine engines;
 - Locomotives; and
 - Non-road engines, equipment or vehicles used in:
 - Construction; Handling of cargo (including at a port or airport); Agriculture; Mining; or Energy production (including stationary generators and pumps)

Eligible Projects (Section I.B.2)



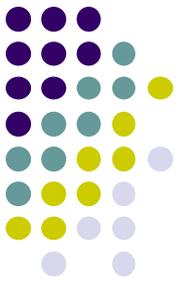
- Verified Exhaust Control Technologies
- Verified/Certified Engine Upgrades
- Verified/Certified Cleaner Fuel Use
- Verified Idle Reduction Technologies
 - Auxiliary Power Units, Fuel Operated Heaters, etc.
 - Also includes shore connection systems and electrified parking spaces
- Verified Aerodynamic Technologies & Low Rolling Resistance Tires
 - Trailer side skirts, trailer gap reducers, tires, etc.
- Certified Engine Repowers
- Vehicle and Equipment Replacements
- Clean Alternative Fuel Conversions

Project Funding Percentage (Section I.B.2)



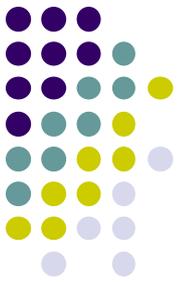
- Exhaust Controls - up to 100% of the cost
 - Diesel Oxidation Catalysts, Diesel Particulate Filters, etc.
- Engine Upgrades - up to 40% of the cost
- Cleaner Fuels - cost differential between conventional fuel and cleaner fuel
 - NEW - EPA will NOT fund stand alone cleaner fuel use

Project Funding Percentage (Section I.B.2)



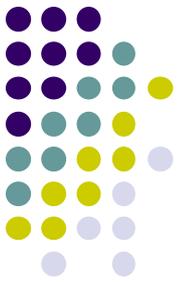
- Verified Idle Reduction Technologies
 - NEW - EPA will NOT fund stand alone idle reduction technologies EXCEPT
 - Locomotive idle reduction up to 40% of the cost
 - Shore connection systems (locomotive and marine) up to 25% of the cost
 - Electrified parking spaces (truck stop electrification) up to 25% of the cost
 - Other idle reduction projects - 100% when combined on the same vehicle with new eligible verified exhaust control funded under this RFP
 - Example: Auxiliary Power Unit AND Diesel Particulate Filter on a truck₁₁

Project Funding Percentage (Section I.B.2)



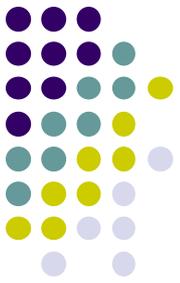
- Verified Aerodynamic Technologies (Aero) and Low Rolling Resistance Tires (Tires)
 - EPA will NOT fund stand-alone Aero and/or Tires projects
 - If Aero and/or Tires are combined on the same vehicle with a verified exhaust control technology funded under this RFP, EPA will fund up to 100% of the cost of all technologies
 - Example: Low Rolling Resistance Tires AND Diesel Particulate Filter on a truck

Project Funding Percentage (Section I.B.2)



- Certified Engine Repowers
 - EPA will fund up to 40% of the cost
 - Repowers must be certified to a more stringent set of engine emission standards than the old engine
 - Repower costs may include associated hardware
 - The engine being replaced must be:
 - Scrapped, or
 - Rendered permanently disabled, or
 - Returned to the original engine manufacturer for remanufacturing
 - to a certified cleaner emission standard for nonroad engines
 - to MY 2007 or newer certified emission standards for on-highway engines

Project Funding Percentage (Section I.B.2)



- Vehicle and Equipment Replacements
 - Drayage Vehicles - up to 50% of the cost
 - New drayage vehicles must be powered by a 2010 or newer model year certified engine
 - Must meet operational guidelines and definition of drayage truck, as stated in RFP
 - All other vehicles - up to 25% of the cost
 - New vehicles/equipment must be powered by a 2011 or newer model year certified engine
 - Replaced vehicle or equipment must be scrapped or engine remanufactured to the next EPA Standard

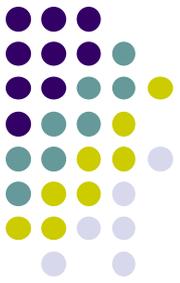
Funding Restrictions (Section III.D)



- Funding restrictions for vehicles and equipment (Section III.D)
 - On-highway vehicles with a model year 1989 or older are NOT eligible
 - Nonroad equipment that operate less than 500 hours/year or with less than 7 years remaining useful life are NOT eligible
 - EPA has prepared a document to assist applicants in determining the remaining useful life
 - epa.gov/cleandiesel/documents/fy13-nonroad-remaining-useful-life.pdf
 - Locomotives and Marine engines that operate less than 1000 hours/year are NOT eligible.
 - Minimum usage requirements for marine and locomotive shore connection systems

Funding Restrictions Cont'd

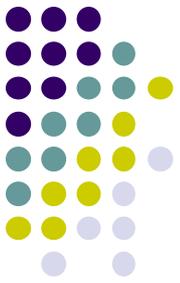
(Section III.D)



- Nonroad repower/ replacement projects are eligible based on the original tier level and the new tier level
 - Not all projects are eligible

			Repowered or Replaced New Certified Engine				
			Tier 0/ Unregulated	Tier 1	Tier 2	Tier 3	Tier 4
Current Engine Tier	Tier 0/ Unregulated	Marine	NO	YES	YES	YES	N/A
		Other nonroad	NO	NO	YES	YES	YES
	Tier 1	Marine	NO	NO	YES	YES	N/A
		Other nonroad	NO	NO	YES	YES	YES
	Tier 2	Marine	NO	NO	NO	YES	YES
		Other nonroad	NO	NO	NO	NO	YES
	Tier 3	Marine	NO	NO	NO	NO	NO
		Other nonroad	NO	NO	NO	NO	YES

Funding Restrictions Cont'd (Section III.D)



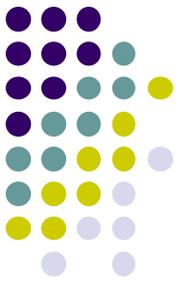
- Nonroad repower/ replacement projects are eligible based on the original tier level and the new tier level
 - Not all projects are eligible

			New Locomotive Tier				
			Tier 0+	Tier 1+	Tier 2+	Tier 3	Tier 4
Current Locomotive Tier	Tier 0/ Unregulated	Locomotive	Yes	YES	YES	YES	Yes
	Tier 0+/1	Locomotive	NO	YES	YES	YES	YES
	Tier 1+	Locomotive	NO	NO	YES	YES	YES
	Tier 2	Locomotive	NO	NO	YES	YES	YES*
	Tier 2+	Locomotive	NO	NO	NO	YES*	YES*

* Applies to switcher locomotives only

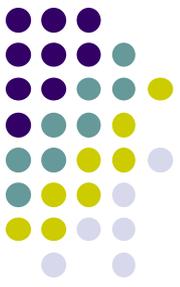
Funding Restrictions Cont'd

(Section III.D)



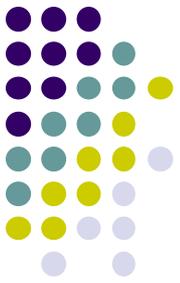
- **Restriction for Mandated Measures:** No funds awarded under this RFP shall be used to fund the costs of emission reductions that are mandated under federal law.
- Specifically, locomotives and marine engines that are subject to the requirements of EPA's locomotive and marine rule, "Control of Emissions of Air Pollution from Locomotives and Marine Compression-Ignition Engines Less than 30 liters per Cylinder," will not be considered for funding under this RFP if the emission reductions proposed for funding are required by regulation.

Restriction for Mandated Measures Locomotive and Marine Engines Con't

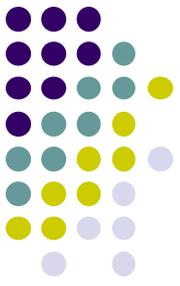


- Proposals which include locomotives and/or marine engines must include a clear and concise justification for why/how the proposed emission reduction are not subject to the Restriction for Mandated Measures under this RFP. The justification must clearly demonstrate that:
 - the target locomotives and/or marine engines are exempt from the requirements of EPA's locomotive and marine rule; or
 - emission reductions funded with EPA funds will be implemented prior to the effective date of any applicable requirements under the rule; and/or
 - emission reductions funded with EPA funds will not be used to satisfy any applicable requirements under the rule, but instead are in excess of (above and beyond) those required by the applicable mandate.

Restriction for Mandated Measures Locomotive and Marine Engines Con't

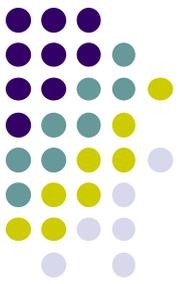


- Applicants must provide sufficient information to support the justification, including maintenance records, if applicable. The justification must also include a signed letter (Substantiation Letter) from the owner/operator of the subject locomotive(s) and/or marine engine(s) attesting to the accuracy of the information.
- This information should be included as an attachment to the proposal, and does not count towards the 10-page limit. Please see Appendix G of the RFP for additional information.



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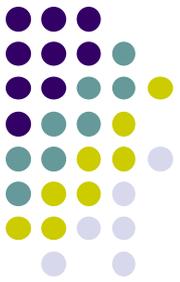


Proposal Evaluation Process

- Step 1: Threshold Criteria Review (Section III.C)
 - Must meet ALL 6 threshold criteria to move on to Step 2

- Step 2: Evaluation Criteria (Section V.A)
 - Ten evaluation criteria – points assigned to each
 - Tribal applications are evaluated on 8 of the 10 criteria
 - 74 points possible for Tribal proposals
 - Tribes are not evaluated on Criterion #3 (Location) or Criterion #6 (Regional Significance)

Review and Selection Process

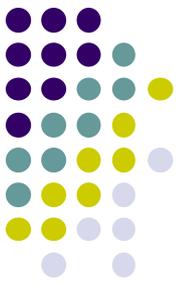


- Non-Tribal Applicants
 - Submit proposals to Regional Contact via hard copy, or www.grants.gov (Section IV.B)
 - <http://www.epa.gov/cleandiesel/wheretheyoulive.htm>
 - Given numerical score and rank-ordered (following Steps 1 and 2, discussed previously)
 - Funding Recommendation provided to EPA Approving Official
 - EPA Approving Official considers rank and may consider Other Factors (Section V.C), then selects proposals to fund

Review and Selection Process



- Tribal Applicants
 - Submit proposals to OTAQ via hardcopy or www.grants.gov (Section IV.B)
 - Given numerical score and rank-ordered (following Steps 1 and 2, discussed previously)
 - Funding Recommendation provided to EPA Approving Official
 - EPA Approving Official considers rank and may consider Other Factors (Section V.C), then selects proposals to fund



Evaluation Criteria (Section V.A)

Criteria	Points
1. Project Summary & Overall Approach	8
2. Results - Outcomes and Outputs	10
4. Programmatic Priority - Diesel Reduction Effectiveness	20
5. Other Programmatic Priorities	14
7. Past Performance	8
8. Staff Expertise/Qualifications	4
9. Budget/Resources	5
10. Applicant Fleet Description	5

Evaluation Criteria (Section V.A.4)

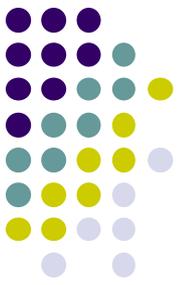
Programmatic Priority - Diesel Reduction Effectiveness



- (20 pts) Applicants will be evaluated on the extent to which the project effectively reduces diesel emissions, by maximizing the useful life and annual operating hours of any certified engine configuration or verified technology
 - Scores are based on the age and annual operating hours of the vehicle, and the effectiveness and cost of the control strategy.
 - See Appendix E for scoring information
- If a proposal includes more than one vehicle/ technology combination,
 - Each vehicle will receive a score under this criterion
 - Individual scores will be averaged to create one score for the criterion

Evaluation Criteria (Section V.A.5)

Other Programmatic Priorities



- Applicants will be evaluated on the extent and quality to which the project addresses the following:
 - (10 pts) Maximizes Public Health (Appendix F)
 - (2 pts) Uses a community-based multi-stakeholder collaborative process to reduce toxic emissions
 - Identify the community representatives and include contact info
 - (2 pts) Conserves diesel fuel



Cost-Share (Section III.B)

- Types of Cost-Share:
 - Mandatory and Voluntary (overmatch)
 - Specific definitions of each type in RFP
 - Must be included on SF-424 & SF 424A forms and in the proposal budget
- Including Voluntary cost-share may affect applicant's evaluation under Criterion # 2 "Results- Outcome and Outputs"
 - The higher the cost-share, the more work that can be done and more emissions benefits will be achieved

Potential Pitfalls



- Project changes mid-stream are not likely to be allowed
 - Potential competition issues – scores are based on vehicles/technologies/locations/match and voluntary cost share
 - Applicants need to think through the project and anticipate technology challenges
- Vehicle & technology options & limitations
 - Not all technology combinations are appropriate for all vehicles
 - i.e. DPFs must meet exhaust temperature thresholds
 - Do as much homework ahead of time as possible to avoid complications

Potential Pitfalls



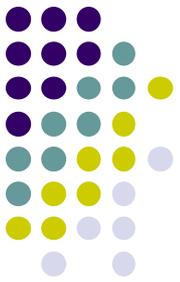
- Thoroughly plan and document engine upgrades & repowers
 - Upgrades & repowers must achieve reductions based on verified levels or to more stringent standards
 - Many older vehicles cannot accept current technology engines
 - Complete, new emission control systems must be included
 - Make sure to check model years and tiers of proposed engines to make sure they're eligible for funding

Potential Pitfalls



- Technology must be verified for *specific type* of vehicle and model year – check the EPA and CARB verified technologies lists!
 - Review verification letters, attachments & criteria
 - Thoroughly evaluate candidate vehicles
 - Obtain detailed documentation from vendors
 - Retain complete records for each installation
- Reporting, Reporting, Reporting
 - Expect more transparency and monitoring
 - Quarterly reports, detailed fleet info, nat'l databases, verifiable results & records

Tools and Resources



- Applicant Fleet Description
 - Required part of the proposal – describes fleet in detail
 - Sample available at www.epa.gov/cleandiesel/documents/fy13-afd-sample.xls
- Project Narrative Sample Format
 - www.epa.gov/cleandiesel/documents/fy13-narrative-sample.doc
- Priority County and Area List
 - www.epa.gov/cleandiesel/documents/fy13-county-area-list.pdf
- Model Years for Eligible Nonroad Engines and Equipment
 - www.epa.gov/cleandiesel/documents/fy13-nonroad-remaining-useful-life.pdf
- Diesel Emissions Quantifier (DEQ)
 - Can be used to show expected project results, cost-effectiveness, and public health benefits
 - www.epa.gov/otaq/diesel/resources.htm
- Technology Tips Guide
 - Helpful info about each type of project, technical issues to look out for, etc.
 - www.epa.gov/cleandiesel/documents/420p11001.pdf

Additional Support



- Frequently Asked Questions
 - Posted weekly, on webpage
 - List will include questions from today's webinar
 - Deadline for submitting questions is Wednesday, June 19, 2013
 - Submit questions via email to cleandiesel@epa.gov or 1-877-NCDC-FACTS (1-877-623-2322)
 - Type "RFP Question" in the subject line of email
 - Tribal-specific questions should be emailed to address above with "Tribal RFP Question" in the subject line of email

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