

Questions and Answers: Tribal Clean Diesel Funding Assistance Program FY 2016 (RFP# EPA-OAR-OTAQ-16-06)

Thursday, August 4, 2016

The following Questions and Answers have been compiled for the benefit of organizations considering applying for a grant under the above Request for Proposals (RFP).

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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. Applicant Eligibility

A.1: *How does the RFP define tribal agency and intertribal consortium?*

Answer: Tribal agencies are defined as Federally recognized Indian tribal governments, which are any Indian tribe, band, nation, or other organized group or community (including Native villages) certified by the Secretary of the Interior as eligible for the special programs and services provided by her through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents Federally recognized tribes. For the purposes of this RFP, "intertribal consortium" is defined as a partnership between two or more tribes 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 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: 5/31/2016

A.2: *Can individuals or private companies apply for funding under this competition?*

Answer: No. Only eligible entities as defined in the RFP are eligible to apply for EPA funding.

Date Posted: 5/31/2016

A.3: *Can a privately owned fleet receive funding?*

Answer: Only eligible entities as defined in the RFP are eligible to apply directly to EPA for funding under this RFP. However, both public and private fleets may benefit from program activities and EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects. There are several ways that an eligible entity can provide funding/benefits to fleet owners, including subgrants, rebates, or partnerships. Please see Section III.A of the RFP for more information.

Date Posted: 5/31/2016

A.4: *To be eligible, must tribal entities have regulatory authority formally delegated to them for enforcing air or transportation regulations?*

Answer: No, jurisdiction is generally defined as the ability to make decisions which impact transportation or air quality. For example, a local government, such as a municipality, would be eligible. Or a school district would be eligible because it is responsible for decisions regarding transportation of students. Entities can explain how they fit the definition.

Date Posted: 5/31/2016

A.5: *Do tribes have to apply directly as stand-alone projects or can they apply jointly with utilities?*

Answer: A tribe can apply individually or can form a partnership with other entities for the purposes of the grant, however only one tribe or tribal consortium may be listed as the applicant on the proposal, and that tribe is ultimately responsible for the proper implementation of the grant. There are several ways that tribe can then provide funding/benefits to the other project partners/fleet owners (including subgrants, rebates, or other partnership agreements) in accordance with the applicable EPA grant regulations and the terms and conditions of the original award. The proposal will have to clearly explain the roles and responsibilities of all subgrantees/project partners.

Date Posted: 5/31/2016

A.6: *Can multiple tribes collaborate on a grant proposal, assuming they are all eligible?*

Answer: Yes, there are two ways tribes can collaborate: 1) one tribe could apply with others as subgrantees and 2) the tribes could form an intertribal consortium. For the purposes of this RFP, "intertribal consortium" is defined as a partnership between two or more tribes that is authorized by the governing bodies of those tribes to apply for and receive assistance under this program. Please see Section III.A of the RFP for additional information about intertribal consortiums.

Date Posted: 5/31/2016

A.7: *Are Federally recognized tribes in Alaska eligible?*

Answer: Yes.

Date Posted: 5/31/2016

A.8: *Do applicants have to be located in areas with poor air quality to qualify for these grants?*

Answer: No. All Tribes and Native Villages are eligible to apply for the DERA Tribal Grant Program, regardless of air quality in the project location. However, projects located in areas of poor air quality will be given priority as described in Section V of the RFP. A list of priority areas for the 2016 Tribal RFP can be found at www.epa.gov/sites/production/files/2016-04/documents/fy16-tribal-county-area-list.pdf.

Date Posted: 6/24/016

A.9: *Is the manufacturer of an emissions reduction device eligible for this grant?*

Answer: No. For-profit entities, including equipment manufacturers, are not eligible to apply for grant funding under this RFP. Manufacturers who would like to have their retrofit products eligible for purchase by recipients of this grant program must be listed on EPA or CARB's verified retrofit technology list. An overview of the Verification Process is available at: www.epa.gov/verified-diesel-tech/overview-verification-process-clean-diesel-technology.

Date Posted: 6/24/016

A.10: *Are we eligible to apply if our proposed project would not take place in a priority area?*

Answer: Yes, projects are eligible even if the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized is not listed as a priority area under the RFP.

Date Posted: 7/1/2016

B. Project Eligibility

i. Exhaust Controls

B.i.1: *Are technologies that are CARB verified, but not EPA verified, eligible?*

Answer: Yes, funding may be used for EPA and/or CARB certified engine configurations and verified exhaust control retrofit technologies.

Date Posted: 5/31/2016

ii. Engine Upgrades

No questions at this time.

iii. Cleaner Fuels Use

B.iii.1: *What is the acceptable method to determine the fuel cost differential between USLD and an alternative fuel for a proposed project?*

Answer: Applicants should contact a fuel distributor to obtain current fuel price information as close to the proposal submission date as possible. Compare that cost to the cost of standard diesel fuel during a similar period.

Date Posted: 5/31/2016

B.iii.2: *Does the fuel cost differential make any provisions for infrastructure upgrades, such as tank upgrades?*

Answer: No. This RFP does not pay for any fueling infrastructure. It only pays for the cost-differential between the conventional fuel and the cleaner fuel.

Date Posted: 5/31/2016

New B.iii.3: *Are the equipment and the cost of processing fuel (i.e., making a diesel emulsion) eligible for funding?*

Answer: No, equipment and costs associated with processing fuel are not eligible. However, for new or expanded use of a cleaner fuel, this funding can cover the cost differential between the cleaner fuel and conventional diesel fuel if that cleaner fuel is used in the same vehicle/engine targeted for other eligible diesel emission reduction activities under this RFP. Eligible cleaner fuels include, but are not limited to, biodiesel and diesel emulsions or additives verified by EPA or CARB, CNG, propane and other certified alternative fuels. Please see Section I.B.2.c. of the RFP for more information about cleaner fuel use.

Date Posted: 8/4/2016

iv. Idle-Reduction

B.iv.1: *Are buses eligible to apply for funding for Electrified Parking Space (EPS)/Truck Stop Electrification (TSE) technology? How much funding will projects receive for EPS/TSE?*

Answer: No. Electrified Parking Space (EPS)/Truck Stop Electrification (TSE) technologies are only verified for use by long-haul Class 8 trucks and refrigeration units. For eligible projects seeking to use verified EPS/TSE technology, funding will cover up to 40% of the cost for labor and equipment to install and enable use of the technology.

Date Posted: 7/8/2016

B.iv.2: *Is a project to add verified idle reduction technology to nonroad equipment eligible?*

Answer: No. Idle reduction technologies have only been verified for long haul combination class 8 trucks, school buses and locomotives. Please see the Verified Idle Reduction List at www.epa.gov/verified-diesel-tech/smartway-technology.

Date Posted: 7/8/2016

v. Aerodynamics and Tires

B.v.1: *Are low rolling resistance tires for public transit buses eligible for DERA tribal grant funding?*

Answer: No, low rolling resistance tires are only verified for use on Class 8, long-haul tractor trailers, therefore LRR tires on a transit bus are not an eligible activity under this RFP.

Date Posted: 7/1/2016

vi. Engine Repowers

B.vi.1: *What is meant by "the applicant may be required to pay the additional costs associated with the higher horsepower equipment"?*

Answer: If an applicant proposes a replacement engine where the horsepower is more than 25 percent of the engine being replaced, EPA may require the applicant to pay the cost difference between the larger engine and a smaller one. Horsepower increases of more than 25 percent will require specific approval by EPA prior to purchase for engine repowers (or nonroad replacement projects).

Date Posted: 5/31/2016

B.vi.2: *How much will EPA fund for generator repowers?*

Answer: EPA will fund up to 75% of the cost (labor and equipment) of an eligible engine replacement/repower (i.e., applicants are responsible for cost-sharing at least 25% of the cost of an eligible engine repower).

Date Posted: 5/31/2016

B.vi.3: *In a repower project for an agricultural pump, is the cost of bringing electricity to the site to enable the use electric equipment an eligible expense?*

Answer: Yes. Eligible expenses include the purchase and installation of electrical infrastructure or equipment to enable the use of power, subject to the cost-share requirements for repower.

Date Posted: 7/1/2016

vii. Vehicle/Equipment Replacements

B.vii.1: *What is meant by incremental cost for a replacement?*

Answer: Incremental cost is defined in the RFP as up to 50% of the cost of a newer, cleaner vehicle or piece of equipment. Applicants do not need to calculate/compare the difference in price of a newer, cleaner model versus an older model.

Date Posted: 5/31/2016

B.vii.2: *May funding be used to purchase a dump truck for tribal road, bridge, and maintenance programs?*

Answer: Yes. Vehicle replacements are eligible if you are scrapping a similar older vehicle; this funding cannot be used to expand a fleet. For highway diesel vehicles, EPA can cover up to 50% of the cost of a replacement vehicle powered by a 2012 model year or newer engine certified to EPA emission standards, or an all-electric vehicle.

Date Posted: 7/1/2016

B.vii.3: *What is the funding level for a highway vehicle replacement if the vehicle being replaced is still functional and is replaced according to RFP guidelines?*

Answer: Funding can cover up to 50% of the cost of an eligible on highway vehicle replacement. To be eligible, replaced vehicles must be fully operational and in current, regular service.

Date Posted: 7/1/2016

B.vii.4: *Are school bus replacements eligible?*

Answer: Yes, a school bus replacement is an eligible project. To be eligible, vehicles must be fully operational and in current, regular service. The replacement bus must have an engine model year 2012 or newer. Please refer to Table 1 in Section I.B of the RFP for additional information.

Date Posted: 7/1/2016

B.vii.5: *Is the replacement of diesel generators with systems powered by solar or wind eligible for funding?*

Answer: Yes. The replacement generator must be powered by a Tier 3 or Tier 4 certified engine, or all-electric (including solar and wind powered electric).

Date Posted: 7/1/2016

viii. Miscellaneous

B.viii.1: *A tribe is interested in retrofitting equipment located within the reservation boundaries and at a tribally owned facility located outside the Community. Is the equipment located outside the Community eligible for this funding?*

Answer: Yes. The equipment may or may not be owned by the tribe or tribal members, and the equipment may or may not be located on the Reservation. Equipment owned by the Bureau of Indian Affairs, however, is not eligible since funding cannot be used to retrofit another Federal Agency's equipment.

Date Posted: 5/31/2016

B.viii.2: *Can funds be used for a project that has already been started or will be started before the expected award date?*

Answer: No. Any funding awarded under this announcement must be used for activities that will take place within the approved project period and may not be used for unauthorized pre-award costs. However, funding could be used for a new component of an on-going project. For example, if the applicant has a fleet of 500 school buses and has already retrofitted 200, the applicant can apply for funds to retrofit the remaining 300 buses. Expenses incurred prior to the project period set forth in any assistance agreement resulting from this RFP are not eligible as a cost-share for proposed projects.

Date Posted: 5/31/2016

B.viii.3: *What does "more stringent set of engine emissions" mean? Is going from Tier 2 to Tier 3 acceptable or does everything need to be Tier 4?*

Answer: In general, the new engine should be a new, current model year engine that meets the current emission standard for the specific engine type and size unless there is a technical compatibility/feasibility issue that requires using an older model year engine. For most nonroad and marine engines, the current model year engine will be Tier 4 or Tier 3. Requirements depend on the type of engine, and the engine's current tier level. For example, under this RFP you may repower or replace a Tier 0, Tier 1, Tier 2, or Tier 3 nonroad engine with a Tier 4 or all-electric engine. Or you may repower an unregulated, Tier 1, or Tier 2 marine engine with a Tier 3 or 4 marine engine. Please see Section III.D of the RFP for additional funding restrictions.

Date Posted: 5/31/2016

B.viii.4: *How can I find out if the stationary engine emission reductions are required by the RICE Rule (or not)?*

Answer: To find out if your generator engine is covered by the RICE rule, please see www.epa.gov/ttn/atw/icengines/ and Appendix E of the RFP.

Date Posted: 5/31/2016

C. Vehicle, Equipment, and Engine Eligibility

C.1: *Are vehicles eligible for replacement under this grant if they are scheduled to be retired and scrapped by or before the end of the project period?*

Answer: No. Repowers or replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is defined as a replacement or repower that is scheduled to take place within 3 years of the project start date. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 5/31/2016

C.2: *Please describe eligible diesel trucks.*

Answer: For the purposes of this RFP, eligible heavy-duty highway vehicles are defined as Class 5 through Class 8: Class 5 (16,001 -19,500 lbs GVWR); Class 6 (19,501 - 26,000 lbs GVWR); Class 7 (26,001 - 33,000 lbs GVWR); Class 8a (33,001 - 60,000 lbs GVWR); Class 8b (60,001 lbs GVWR and over). Class 1 - Class 4 vehicles (i.e., 16,000 lbs or less GVWR) are not eligible.

Date Posted: 5/31/2016

C.3: *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles are eligible under this RFP as long as the applicant meets the definition of an eligible entity.

Date Posted: 5/31/2016

C.4: *Are diesel generators eligible?*

Answer: Yes. Please note that stationary engine projects will not be considered for funding under this RFP if the emission reductions proposed are federally mandated. Proposals which include nonroad diesel engines used in stationary generators must include a "Mandated Measures Justification" in Section I of the Project Narrative. Please see Section III.D.1 and Appendix E of this RFP for more information.

Date Posted: 5/31/2016

C.5: *Are stationary engines considered nonroad engines, equipment or vehicles?*

Answer: A stationary diesel generator is considered a piece of nonroad equipment (comprised of both a nonroad engine and a generator). Please note that retrofits verified for nonroad are not automatically verified for stationary unless specifically stated.

Date Posted: 5/31/2016

C.6: *The RFP states nonroad engines, equipment or vehicles used in energy production are eligible. What does "energy production" mean?*

Answer: "Energy production" generally refers to generators that use diesel fuel to produce electricity.

Date Posted: 5/31/2016

C.7: *Would an engine that serves as a backup power supply for facilities on the Reservation qualify?*

Answer: A backup diesel generator may qualify if it meets the usage limit, but most do not due to their limited use. According to this year's RFP, "No funds awarded under this RFP shall be used to retrofit, repower, replace or upgrade nonroad engines and equipment that operate less than 500 hours per year." See Section II.D.14 on page 28 for additional information.

Date Posted: 5/31/2016

C.8: *Are backup diesel and propane generators eligible?*

Answer: There are several factors to determine eligibility of your diesel generators. To start, only existing unregulated, Tier 0, Tier 1 or Tier 2 diesel-powered generators are eligible for upgrade, retrofit, repower, or replacement under this RFP; existing propane powered generators are not eligible. Next, diesel generators qualify for funding only if they operate at least 500 hours per year (Section III.D.13, page 27).

Date Posted: 5/31/2016

D. Application Process

D.1: *Can you provide a list of past applicants or recipients?*

Answer: While EPA cannot release information on grant proposals, it can provide information on previously funded projects. Information on all previously funded projects may be found at www.epa.gov/cleandiesel/clean-diesel-tribal-grants#projects.

Date Posted: 5/31/2016

D.2: *Where is the application for the grant program?*

Answer: The Request for Proposals (RFP Number EPA-OAR-OTAQ-16-06) contains all project eligibility and application submission information. The RFP, as well as a Project Narrative sample template and an Applicant Fleet Description template, may be found at www.epa.gov/cleandiesel/clean-diesel-tribal-grants#rfp. Applicants can download an application package, which contains standard forms (SF) 424 and SF 424A from www.grants.gov under Funding Opportunity Number EPA-OAR-OTAQ-16-06. The Project Narrative and any supporting documents should be attached to the application package, and the full package submitted to EPA through www.grants.gov. Please refer to the Proposal Submission Checklist in Appendix E of the RFP to ensure that all required information is included in your package.

Date Posted: 5/31/2016

D.3: *Can an applicant ask for a cost-share waiver from the mandatory costs per technology on the tribal RFP?*

Answer: No, the scope of the RFP is for all applicants. Please note that cost-share waivers will not be considered.

Date Posted: 5/31/2016

D.4: *Can you provide additional information about the evaluation criterion related to partnerships for renewable energy and energy efficiency?*

Answer: Per Section V of the RFP, as part of the evaluation process, EPA will consider whether an applicant has established a partnership with a non-EPA Federal Agency to advance tribal renewable energy and energy efficiency efforts that directly reduce diesel emissions from the same engines/equipment that the applicant is targeting for diesel emission reductions under this RFP.

Date Posted: 5/31/2016

D.5: *What is the range of funds we can request under this RFP?*

Answer: We anticipate awards will range from \$30,000 to \$800,000.

Date Posted: 5/31/2016

D.6: *Can applicants get assistance with the Diesel Emissions Quantifier?*

Answer: Yes, you may contact the National Clean Diesel Campaign Helpline at 1-877-NCDC-FACTS (1-877-623-2322) or cleandiesel@epa.gov for assistance. We recommend you start working with the Quantifier early.

Date Posted: 5/31/2016

D.7: *Are the slides from the Information Session webinar available?*

Answer: The webinar slides will be available for viewing at www.epa.gov/cleandiesel/clean-diesel-tribal-grants#rfp.

Date Posted: 5/31/2016

D.8: *Can you submit one proposal with several objectives (e.g., marine engine repower, school bus fleets, nonroad)?*

Answer: Yes. A single proposal may target multiple fleets, fleet types and/or diesel emission reduction solutions.

Date Posted: 5/31/2016

D.9: *Can you submit multiple vehicles/engines/equipment in a single proposal?*

Answer: Yes.

Date Posted: 5/31/2016

D.10: *Do allowable costs include generator installation or are they just for equipment?*

Answer: You can include installation as part of the equipment costs, subject to the cost-share requirements.

Date Posted: 5/31/2016

D.11: *How does scoring work for projects that are located in priority and or nonattainment areas, as well as locations that receive greater amounts of air pollution (such as truck stops)?*

Answer: Projects are partially evaluated based on project location. There are a total of 15 points offered under these criteria. 5 points are awarded for the description of the area where the vehicle/engine will operate. 5 points are also offered for projects located in areas with poor air quality, such as nonattainment or maintenance zones. Lastly, 5 points are offered for projects in areas that experience disproportionate quantities of air pollution such as truck stops. For a full breakdown of the evaluation criteria please see section V.A of the RFP.

Date Posted: 7/1/2016

D.12: *If an applicant has a third-party vendor contributing to the funding of a project how does the applicant address that in the RFP?*

Answer: In the Budget Table, the applicant should list the total equipment purchase under the itemized equipment costs, showing the EPA funded share and the mandatory-cost share (i.e non-EPA funds). The narrative section of the applicant's proposal package should then explain the source of the non-EPA funds. This description should identify how the third-party vendor will contribute to the cost-share to meet the total cost of equipment if the grantee is not paying for the equipment themselves.

Date Posted: 7/15/2016

E. Project Administration

i. Competitive Procurement Requirements

No questions at this time.

ii. General

E.ii.1: *If a tribal project in a particular region is selected for funding, who will administer the grant?*

Answer: The EPA Regional Office will administer the tribal grants awarded within the region.

Date Posted: 5/31/2016

E.ii.2: *Once an application is received and is awarded a certain amount of money, is the applicant obligated to continue or can they withdraw if other funding fails to come through?*

Answer: If selected for award, an EPA Award Official will make an official offer of an award to the applicant. The applicant must formally accept or deny the award. If an award is accepted, the applicant may terminate the award for convenience, and return the funding, at any time.

Date Posted: 5/31/2016

E.ii.3: *What additional expenses can be covered by this funding?*

Answer: Allowable costs may include: personnel, fringe benefits, travel, equipment, supplies, contractual/consultant services, insurance, rental/lease of equipment or supplies, equipment service or maintenance contracts, printing or photocopying, rebates, and subaward costs related to the project. Please see Appendix B, 2, Section 7 for additional information about itemizing costs.

Date Posted: 5/31/2016

E.ii.4: *May we identify backups for vehicles/vessels in our fleet or is this considered a change in the scope of the work plan?*

Answer: In general, swapping an identified vehicle for a substantially similar vehicle would be an approvable change as long as it does not impact the outputs, outcomes or competition rankings. Changes to proposed fleets and or technologies that would result in a lower project score per the Evaluation Criteria (e.g., outputs and outcomes, project location, diesel reduction effectiveness) generally will not be allowed.

Date Posted: 5/31/2016

E.ii.5: *Can the indirect cost be included in the tribe's cost-share?*

Answer: No. Indirect costs incurred by the tribe may not be used to meet the mandatory equipment cost-share. For example, for a marine engine repower, EPA grant funding can cover no more than 75% of the cost (labor and equipment) of an eligible replacement marine engine. "Labor" includes contractual costs for design, engineering, and installation. The remaining 25% of the repower labor and equipment must be paid with non-federal funds. Other costs associated with implementing the project, such the applicant's personnel, fringe, supplies, and indirect charges may be funded at 100% with EPA grant funding. Alternatively, the applicant may propose to cover these other costs with non-federal funds and include them in the budget as a voluntary cost-share (i.e. overmatch), or the applicant may choose cover these other costs with non-federal funds but not include these other costs in the official project budget.

If EPA accepts an offer for a voluntary cost-share or overmatch, applicants must meet this funding commitment as a legal condition of receiving EPA funding. The recipient is legally

obligated to meet any proposed voluntary cost-share or overmatch that is included in the approved project budget because the grant agreement includes the voluntary cost-share or overmatch. If it does not materialize during grant performance, then EPA may reconsider the legitimacy of the award and/or take other appropriate action as authorized by 2 CFR Part 200 as applicable.

Date Posted: 7/28/2016