

Tribal Clean Diesel Funding Assistance

FY 2018 Tribal Request for Application (RFA) Information Session #3

We will begin the webinar shortly.

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Tribal Clean Diesel Funding Assistance

FY 2018 Tribal Request for Applications Information Session

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National Clean Diesel Campaign

Changes to the FY2018 Tribal Clean Diesel Funding Assistance Program

- ▶ EPA has converted the FY 2018 Request for Proposals (RFP) to a Request for Applications (RFA)
- ▶ EPA has extended the deadline to apply from September 6, 2018 to April 3, 2019

Changes to the FY2018 Tribal Clean Diesel Funding Assistance Program

- ▶ The FY2018 Tribal DERA Request for Proposals (RFP) which opened in June has been amended to a Request for Applications (RFA). This is a new Agency requirement, and all new DERA competitive funding opportunities will be RFAs.
- ▶ The process to apply under a RFA is similar to the RFP, but applicants must submit four additional forms. Please review the full RFA for application preparation and submission information.

Changes to the FY 2018 Tribal Clean Diesel Funding Assistance Program

- ▶ Applicants now have more time to complete their DERA applications. DERA applications must be submitted electronically to EPA through www.grants.gov by Wednesday, April 3, 2019, at 11:59 PM, Eastern Time
- ▶ Extending the deadline to April 3, 2019 allows tribes that intend to utilize the “DERA Option” under the Volkswagen (VW) Tribal trust agreement to participate in the second VW Tribal trust agreement funding cycle.
- ▶ Tribes planning to use the “DERA Option” must fulfill all the requirements of the Tribal trust agreement and the FY 2018 DERA RFA

VW Timeline and DERA Timeline

VW Timeline	DERA Timeline
Jan 15, 2019 - WT posts notice on their website for 2 nd funding cycle	FY18 RFA Closes Wed. April 3, 2019
March 18 - Beneficiary certifications due to WT	EPA Review Panel - Evaluation and Selection
May 17 - Notice of Beneficiary Designation from WT to beneficiaries	Early May - Anticipated Notification of Selection
June 17 - Designated beneficiary's participation notice due to WT	May through July 1 - Finalize workplans and grants package with selected applicants
June 28 - W/in 10 business days of designated beneficiary participation notice due date, WT will send allocation determinations to beneficiaries	July through August Anticipated Award
Aug 30 - EMA certification (funding request) or "opt out form due"	October 1, 2019 - Begin DERA Projects
Oct 30 - WT has 60 days to approve/deny funding requests	Oct - Nov 2019 - Revise workplan if needed with final VW allocation

Basic Information

- ▶ **National Funding Assistance Program**
 - ▶ Fiscal Year 2018 Tribal RFA funding - **\$2.0 million**
 - ▶ RFA available at www.epa.gov/cleandiesel/clean-diesel-tribal-grants
 - ▶ **Due Wednesday, April 3, 2019 at 11:59 PM Eastern Time**

- ▶ **Only One Method for Submitting Application**
 - ▶ Electronically via www.grants.gov
 - ▶ Please see RFA for grants.gov instructions and Limited Exception Procedures

Eligible Entities (Section III.A)

A tribal agency or intertribal consortium with jurisdiction over transportation or air quality.

- 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 through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents Federally recognized tribes
- For the purposes of this RFA, “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

Application Submission Limit

Applicants can submit a total of three (3) applications overall under this solicitation.

Each application must be for a different project and must be submitted separately.

A single application may target multiple fleets, fleet types, equipment and/or diesel emission reduction solutions

Eligible Grant Amount

Applications may not request more than \$800,000 in EPA funding.

- ▶ Federal funds requested may not exceed \$800,000. Total project costs, including voluntary and mandatory cost shares, may be greater
- ▶ This limit could dictate the size and type of your project (e.g., how many vehicles and/or equipment, what type of technology, etc.)

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

May include, but are not limited to heavy-duty diesel powered:

- ▶ Buses
- ▶ Class 5 – 8 Medium-Duty or Heavy-Duty Trucks;
- ▶ Marine Engines;
- ▶ Locomotives; and
- ▶ Nonroad 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 & EPA Cost-Share (Section I.B.2)

- ▶ **Exhaust Control Technologies – Up to 100%**
 - ▶ Diesel Oxidation Catalysts, Diesel Particulate Filters
- ▶ **Engine Upgrades and Remanufacture Systems – Up to 75%**
 - ▶ Nonroad, Locomotive, or Marine Engines
- ▶ **Verified Cleaner Fuels and Additives – Bundled; Cost-differential**
- ▶ **Idle Reduction Technologies – Up to 40%**
 - ▶ Auxiliary Power Units, Fuel Operated Heaters, etc.
 - ▶ Shore Power Connection Systems and Electrified Parking Spaces
- ▶ **Aerodynamic Technologies & Low Rolling Resistance Tires – Bundled; Up to 100%**
- ▶ **Clean Alternative Fuel Conversions – Up to 50%**

Eligible Projects & EPA Cost-Share (Section I.B.2)

Certified Engine Replacement

- ▶ **Stationary Generators for Power Production** – up to **80%** of the cost (labor and equipment) of replacing a diesel engine with a diesel or alternative fueled engine (including hybrids) or with a zero emission power source
- ▶ **All Other Engines, Equipment and Vehicles** – up to **75%** of the cost (labor and equipment) of replacing a diesel engine with a diesel or alternative fueled engine (including hybrids) or with a zero emission power source

Eligible Projects & EPA Cost-Share (Section I.B.2)

Vehicle and Equipment Replacements

- ▶ **Stationary Generators for Power Production** - up to **80%** of the cost (labor and equipment)
- ▶ **All other Highway Diesel Vehicles, Nonroad Equipment and Vehicles, and Locomotives:**
 - ▶ **Up to 50%** of the cost of an eligible replacement powered by an engine certified to EPA emissions standards (labor and equipment)
 - ▶ **Up to 60%** of the cost of a new, zero emission replacement

Cost-Share (Section III.B)

Mandatory and Voluntary Cost-Share:

- ▶ Any form of cost-share must be included in the budget detail page portion of the work plan. It must be included on SF-424 & SF 424A forms and in the application budget
- ▶ The application must describe how and when the applicant will obtain the cost-share and how the cost-share funding will be used
- ▶ If the proposed cost-share is to be provided by a named project partner, a letter of commitment is required

Funding Restrictions (Section III.D)

Funding restrictions for vehicles and equipment

- ▶ The vehicle, engine or equipment must be fully operational and in current, regular service
- ▶ Nonroad equipment must operate at least 500 hours/year
- ▶ Locomotives and Marine engines must operate at least 1000 hours/year
- ▶ New marine and locomotive shore connection systems must have minimum usage requirements

Funding Restrictions (Section III.D) cont'd

Table 1: Medium and Heavy-Duty Trucks, Transit Buses, and School Buses Funding Restrictions

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction, Tires, or Aerodynamics	Vehicle or Engine Replacement: EMY 2014+	Vehicle or Engine Replacement: Zero Emission	Clean Alternative Fuel Conversion
2006 or older	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 - 2009	No	No	Yes	Yes*	No	Yes	Yes
2010 - newer	No	No	No	No	No	No	No

* Auxiliary Power Units and generators are not eligible on vehicles with EMY 2007 or newer.

Funding Restrictions (Section III.D) cont'd

Table 2. Nonroad Engine Funding Restrictions

Current Engine Tier	Engine/Vehicle/Equipment Replacement**						Verified Exhaust Control
	Compression Ignition				Spark Ignition	Zero Emission	
	Tier 0-1	Tier 2	Tier 3-4i	Tier 4	Tier 2		
Unregulated – Tier 1	No	Yes*	Yes*	Yes	Yes	Yes	Yes
Tier 2	No	No	Yes*	Yes	Yes	Yes	Yes
Tier 3	No	No	No	Yes	Yes	Yes	Yes
Tier 4i-4	No	No	No	No	No	No	No

*Replacement with Tier 2, Tier 3, or Tier 4i requires a “Best Achievable Technology” analysis as described in Appendix E.

**Stationary generators in the Alaska rural areas are eligible for replacement with certified marine engines.

Funding Restrictions (Section III.D) cont'd

Table 3: Marine Engines Funding Restrictions

Current Engine Tier	Engine Replacement					Certified Remanufacture System	Verified Engine Upgrade
	Tier 1	Tier 2	Tier 3-4i	Tier 4	Zero Emission		
Unregulated – Tier 1	No	Yes*	Yes*	Yes	Yes	Yes	Yes
Tier 2	No	No	Yes*	Yes	Yes	No	No
Tier 3-4	No	No	No	No	No	No	No

*Replacement with Tier 2, Tier 3, or Tier 4i requires a “Best Achievable Technology” analysis as described in Appendix E.

**Stationary generators in the Alaska rural areas are eligible for replacement with certified marine engines.

Funding Restrictions (Section III.D) cont'd

Table 4: Locomotive Engines Funding Restrictions

Current Locomotive Tier	Locomotive or Engine Replacement					Verified Exhaust Control	Idle-Reduction Technology	Certified Reman. System
	Tier 0+ - 2	Tier 2+	Tier 3	Tier 4	All-Electric			
Unregulated - Tier 2	No	Yes*	Yes*	Yes	Yes	Yes	Yes**	Yes
Tier 2+ switcher	No	No	Yes*	Yes	Yes	Yes	Yes**	Yes
Tier 2+ line haul	No	No	No	No	No	Yes	Yes**	Yes
Tier 3 – Tier 4	No	No	No	No	No	No	No	No

*Replacement with Tier 2+, Tier 3, or Tier 4i requires a “Best Achievable Technology” analysis as described in Appendix E.

**Automatic Engine Start-Stop technologies are only eligible to be installed on locomotives currently certified to Tier 0 or unregulated

Restriction for Mandated Measures

- ▶ No funds awarded under this RFA shall be used to fund the costs of emission reductions that are mandated under federal law.
 - ▶ “Control of Emissions of Air Pollution from Locomotives and Marine Compression-Ignition Engines Less than 30 liters per Cylinder.”
 - ▶ “National Emission Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (40 CFR Part 63 Subpart ZZZZ).”
- ▶ Applications which include locomotives, marine engines or generators must include a clear and concise justification for why/how the proposed emission reductions are not subject to the Restriction for Mandated Measures under this RFA
- ▶ Please see Appendix E of the RFA for more information

Consultant, Contractor & Vendor Participation

- ▶ Applicants must compete contracts for services and products
- ▶ Applicants are not required to identify contractors, consultants, or vendors in their application
- ▶ Naming a specific contractor, consultant or vendor in the application does not relieve the applicant of its obligations to comply with competitive procurement requirements
- ▶ Applicants may not award sole source contracts to consultants, contractors or vendors assisting applicants with the application solely based on the firm's role in preparing the application

Application Submission

- ▶ **Submit applications:**

- ▶ Electronically via www.grants.gov;
- ▶ If not currently registered with Grants.gov, designate an Authorized Organization Representative (AOR) and begin the registration process as soon as possible.
- ▶ The registration process requires that your organization have a Data Universal Numbering System (DUNS) number and a current registration with the System for Award Management (SAM). Process of obtaining both could take a month or more, so plan ahead.

Application Submission

- ▶ All applications must be prepared as described in Section IV.C and Appendix B of the RFA
- ▶ Grants.gov Application Submission Instructions see Section IV.B and Appendix B of the RFA
 - ▶ Limited Exception Procedures in Section IV.A. of RFA
- ▶ Your organization's authorized official representative (AOR) must submit your complete application electronically to EPA through Grants.gov (www.grants.gov) no later than **Wednesday, April 3, 2019 at 11:59 PM Eastern Time (EDT)**, not local time.
- ▶ Application Submission Contact:
Lucita Valiere
206-553-8087
valiere.lucita@epa.gov

Application Evaluation Process

- ▶ **Step 1: Threshold Eligibility Criteria Review (Section III.C)**

- ▶ Must meet ALL 5 threshold criteria to move on to Step 2

- ▶ **Step 2: Evaluation Criteria (Section V.A)**

- ▶ Nine evaluation criteria – points assigned to each
- ▶ 115 points possible

Evaluation Criteria (Section V.A)

Criteria	Points
Project Summary & Overall Approach	25
Project Location	15
Benefits to the Community	5
Community Engagement and Partnerships	5
Project Sustainability	5
Environmental Results – Outputs, Outcomes, and Performance Measures	20
Programmatic Capability and Past Performance	20
Budget	15
Applicant Fleet Description	5

Application Selection Process

- ▶ Given numerical score and rank-ordered (following Step 1 - Threshold Eligibility Criteria Review and Step 2 - Evaluation Criteria
- ▶ Recommendation provided to EPA Approving Official
- ▶ EPA Approving Official considers rank and may consider Other Factors (Section V.C), then selects applications to fund

Tools and Resources

▶ **Supporting Information for the Tribal RFA at:**

www.epa.gov/cleandiesel/clean-diesel-tribal-grants

▶ Applicant Fleet Description

▶ Required part of the application – describes fleet in detail

▶ Project Narrative Sample Format

▶ Tribal Priority County and Area List

▶ **Diesel Emissions Quantifier (DEQ)**

▶ Can be used to show expected project results, cost-effectiveness, and public health benefits

▶ www.epa.gov/cleandiesel/diesel-emissions-quantifier-deq

▶ **Technology Tips Guide**

▶ Helpful info about each type of project, technical issues to look out for, etc.

▶ www.epa.gov/sites/production/files/2015-09/documents/420p11001.pdf²⁸

Additional Support

- ▶ **RFA Frequently Asked Questions**
 - ▶ Posted weekly, on webpage
 - ▶ List will include questions from today's webinar
 - ▶ Deadline for submitting questions is **Friday, March 15, 2019 at 4:00 PM (Eastern Time)**
 - ▶ Submit questions via email to cleandiesel@epa.gov
 - ▶ Please type "Tribal RFA Question" in the subject line of email
 - ▶ www.epa.gov/cleandiesel/clean-diesel-tribal-grants

VW Environmental Mitigation Trust Overview

- ▶ The U.S. government and Volkswagen (VW) resolved allegations that VW violated the Clean Air Act by selling approximately 590,000 vehicles equipped with defeat devices.
- ▶ Under this settlement, among other actions, VW is required to provide ~ \$3 billion to remediate the excess NOx emissions from the affected vehicles.
- ▶ Wilmington Trust will administer the fund:

<http://www.vwenvironmentalmitigationtrust.com>

VW Environmental Mitigation Trust Overview

- ▶ VW Eligible Mitigation Action #10 (the DERA Option)
 - ▶ Tribal entities that select the DERA Option must be certified beneficiaries to the Tribal Trust Agreement (Section 2.1.2)
 - ▶ VW funds **can be** used for the non-federal voluntary match of an eligible project under the Tribal DERA program
 - ▶ VW funds **cannot be** used to meet the mandatory cost share requirements under the any DERA program

VW Environmental Mitigation Request for Funds

Budget Detail – Example Scenarios

▶ Scenario 1 Cost Share	<u>EPA Funds</u>	<u>Mandatory Cost Share</u>	<u>Voluntary</u>
▶ 1-generator cost \$100,000	\$80,000	\$20,000	\$0.00
▶ Scenario 2 Cost Share	<u>EPA Funds</u>	<u>Mandatory Cost Share</u>	<u>Voluntary</u>
▶ 1-generator cost \$100,000	\$20,000	\$20,000	\$60,000 (VW funds)
▶ Scenario 3 Cost Share	<u>EPA Funds</u>	<u>Mandatory Cost Share</u>	<u>Voluntary</u>
▶ 1-generator cost \$100,000	\$1.00	\$20,000	\$79,999 (VW funds)

VW Environmental Mitigation Request for Funds

EPA is advising applicants to list a conservative estimate for expected VW trust funds in their DERA application. If the tribe receives more VW funds than expected, they can easily add those funds to an awarded EPA grant as additional voluntary matching funds. EPA has limited ability to add additional DERA funds to an award so they should not underestimate the amount of DERA funds needed for the project.

Note: Next year we anticipate that the DERA RFA will align with the trust deadlines since the trust deadlines are now firm. This way, applicants will know their trust allocation before submitting their DERA application.

VW Environmental Mitigation Trust Resources

- ▶ EPA Office of Enforcement & Compliance (OECA) for Consent Decree and Trust Agreement:

www.epa.gov/enforcement/Volkswagen-clean-air-act-civil-settlement

- ▶ EPA Office of Transportation & Air Quality (OTAQ) for DERA Option:

www.epa.gov/cleandiesel/Volkswagen-vw-settlement-dera-option

- ▶ Institute for Tribal Environmental Professionals (ITEP) for Technical Assistance

<http://www7.nau.edu/itep/main/Home/>

- ▶ National Tribal Air Association (NTAA) for VW Workgroup:

<http://www7.nau.edu/itep/main/ntaa/Resources/Volkswagen>

Thank You!

This concludes the FY 2018 Tribal Request for Applications (RFA) Information Session #3

All lines are currently muted. **Please type your questions into the question box at this time and we will address as many as possible.**

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