

## **Questions and Answers: 2020 Diesel Emissions Reduction Act (DERA) Tribal Grants (RFA# EPA-OAR-OTAQ-20-07)**

Thursday, July 2, 2020

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

- A. Applicant Eligibility
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  - i. Vehicle and Equipment Replacements
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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: *Can multiple tribes collaborate on a grant application?***

Answer: Yes, there are two ways tribes can collaborate: 1) one eligible tribe could apply with others as subrecipients/beneficiaries and 2) the tribes could form an intertribal consortium. 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. Please see Section III.A of the RFA for additional information about intertribal consortiums.

Date Posted: 4/23/2020

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

Answer: No. Only eligible entities as defined in the RFA are eligible to apply directly to EPA for funding under this RFA. 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 other types of partnerships. Please see Section III.A of the RFA for more information. For networking opportunities, you may wish to get involved with your local Regional Diesel Collaborative. More information is available at [www.epa.gov/dera/epa-regions-diesel-collaboratives](http://www.epa.gov/dera/epa-regions-diesel-collaboratives).

Date Posted: 4/23/2020

### **A.3: *Do applicants have to be located in areas with poor air quality to be eligible?***

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.A of the RFA. A list of priority areas for the 2020 Tribal RFA can be found at [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal) and in Appendix F of the RFA.

Date Posted: 4/23/2020

### **A.4: *How does the RFA 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 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.

Date Posted: 4/23/2020

### **A.5: *How does EPA define jurisdiction over transportation or air quality?***

Answer: Jurisdiction is generally defined as the ability to make decisions which impact transportation and/or air quality. A Tribe/Native village which owns or operates diesel vehicles and equipment is considered to have jurisdiction over transportation and/or air quality. Eligible entities should explain how they fit the definition in their proposal.

Date Posted: 4/23/2020

## **B. Project Eligibility**

### **i. Vehicle and Equipment Replacements**

#### **B.i.1:** *What types of replacement projects are eligible?*

Answer: Replacement projects can include the replacement of diesel vehicles/equipment with new, cleaner diesel, hybrid or alternative fuel vehicles/equipment such as CNG, LNG or propane, or zero emission technologies such as battery or fuel cell where applicable.

Date Posted: 4/23/2020

#### **B.i.2:** *Are transport refrigeration unit (TRU) replacement projects eligible?*

Answer: Yes. Diesel powered TRUs and TRU gen sets are eligible as nonroad equipment replacements if the existing TRU nonroad engine meets the applicable nonroad eligibility criteria. Please see the TRU Factsheet found at [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal) for information on TRUs and eligible TRU projects.

Date Posted: 4/23/2020

#### **B.i.3:** *If we want to replace two generators with one generator to meet the usage requirements, do the two generators need to be in the same location?*

Answer: Yes, they must be in the same location.

Date Posted: 5/26/2020

### **ii. Engine Replacements**

No questions at this time.

### **iii. Certified Remanufacture Systems**

No questions at this time.

### **iv. Verified Idle Reduction Technologies**

#### **B.iv.1:** *Are idle reduction technologies eligible for funding under this RFA?*

Answer: Yes. Idle reduction projects are eligible for funding. Lists of eligible, EPA verified idle reduction technologies are available at: [www.epa.gov/verified-diesel-tech/smartway-technology](http://www.epa.gov/verified-diesel-tech/smartway-technology).

Date Posted: 4/23/2020

#### **B.iv.2:** *Is adding electrified parking spaces to a truck stop eligible?*

Answer: Yes. EPA will fund up to 40% of the cost (labor and equipment) of eligible electrified parking space technologies, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. This includes the installation (i.e., construction) of electrical infrastructure to support the EPS technology.

Date Posted: 4/23/2020

### **v. Verified Retrofit Technologies**

#### **B.v.1:** *Which fuels are considered cleaner fuels?*

Answer: Eligible cleaner fuels and additives are limited to those verified by EPA and/or CARB to achieve emission reductions when applied to an existing diesel engine, such as biodiesel. EPA will not fund stand-alone cleaner fuel/additive use. To be eligible for funding, verified fuels and additives must be for new or expanded use, and must be used in combination, and the same vehicle, with a new eligible verified engine retrofit or an eligible upgrade or an eligible certified engine, vehicle, or equipment replacement.

Date Posted: 4/23/2020

**B.v.2:** *Are retrofit technologies required to have EPA/CARB verification prior to proposal submission?*

Answer: The type of retrofit technology (e.g., DOC, DPF, SCR, upgrade kit, etc.) proposed for funding must be verified by either EPA or CARB for use on the specific vehicle/engine specified in the proposal at the time of proposal submission to EPA. A list of eligible, EPA verified retrofit technologies is available at: [www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel) a list of eligible, California Air Resources Board (CARB) verified retrofit technologies is available at: [www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm). The actual retrofit technology used by the grant recipient must be specifically named on EPA or CARB's Verified Exhaust Retrofit Technologies lists at the time of acquisition and used only for the specific vehicle/engine for which it is verified.

Date Posted: 4/23/2020

## **vi. Clean Alternative Fuel Conversions**

**B.vi.1:** *Are alternative fuel conversions eligible?*

Answer: Yes. Funding can cover up to 50% of the cost (labor and equipment) of an eligible certified or compliant clean alternative fuel conversion. Eligible conversions are limited to those systems that have been certified by EPA and/or CARB, and those systems that have been approved by EPA for Intermediate-Age engines. EPA's lists of "Certified Conversion Systems for New Vehicles and Engines" and "Conversion Systems for Intermediate-Age Vehicles and Engines" are available at [www.epa.gov/ve-certification/lists-epa-compliant-alternative-fuel-conversion-systems](http://www.epa.gov/ve-certification/lists-epa-compliant-alternative-fuel-conversion-systems); CARB's list of "Approved Alternate Fuel Retrofit Systems" is available at [www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm](http://www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm). To be eligible for funding, conversion systems for engine model years 2006 and earlier must achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standards of the original engine. To be eligible for funding, conversion systems for engine model years 2007 and newer must achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standards of the original engine.

Date Posted: 4/23/2020

## **vii. Verified Aerodynamic Technologies and Low Rolling Resistance Tires**

No questions at this time.

## **viii. Miscellaneous**

**B.viii.1:** *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 RFA are not eligible as a cost-share for proposed projects.

Date Posted: 4/23/2020

**B.viii.2:** *What project types are eligible under the Tribal RFA?*

Answer: Eligible diesel emissions reduction solutions include vehicle and equipment replacements, engine replacement, remanufacture systems, verified idle reduction technologies, verified retrofit technologies, clean alternative fuel conversions, and verified aerodynamic technologies and verified low rolling resistance tires. Projects must utilize an EPA or CARB certified engine configuration and/or a verified technology. Please review the full text of the RFA and supporting information for detailed project eligibility information: [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal).

Date Posted: 4/23/2020

## **C. Vehicle, Equipment, and Engine Eligibility**

**C.1:** *Is there a time requirement for a company to have owned vehicles or equipment before they can be included in a project?*

Answer: Yes. Fleet owners must have owned and operated the vehicle during the twenty-four months prior to upgrade.

Date Posted: 4/23/2020

**C.2:** *Are backup diesel generators eligible for funding under this RFA?*

Answer: A backup diesel generator may qualify if it meets the minimum usage requirements, but most do not due to their limited use. Engines must operate at least 300 hours per year to be eligible. Engine hours may be combined to reach the 300-hour threshold where two engines will be scrapped and replaced with a single engine.

Date Posted: 4/23/2020

**C.3:** *Is there a minimum usage requirement for highway vehicles under this RFA?*

Answer: Yes. Highway diesel vehicles must have accumulated at least 5,000 miles during each twelve months during the twenty-four months prior to upgrade. The existing vehicles must be in fully operational and in current, regular service.

Date Posted: 4/23/2020

**C.4:** *Are vehicles that are scheduled for retirement next year eligible?*

Answer: No. To be eligible for funding, existing vehicles, engines, equipment, and technologies must have at least three years of remaining life as defined in Section I.B.6.c.

Date Posted: 4/23/2020

**C.5:** *Which engine model years are eligible for funding?*

Answer: Engine model year or tier eligibility will depend on the type of project. Please see Sections I.B.4. and I.B.6. of the RFA for full details on eligibility criteria.

Date Posted: 4/23/2020

**C.6:** *Please describe eligible diesel trucks.*

Answer: For the purposes of this RFA, 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 8 (33,001 lbs GVWR and over). Class 1 - Class 4 vehicles (i.e., 16,000 lbs or less GVWR) are not eligible.

Date Posted: 4/23/2020

**C.7:** *Is there a list of recommended replacement diesel vehicles?*

Answer: No, EPA does not recommend specific vehicles. However, to be eligible for funding, replacement vehicles and equipment must meet the eligibility criteria defined in the RFA.

Date Posted: 5/8/2020

**C.8:** *Can tribes receive funding for fleets comprised of both tribal and corporate vehicles?*

Answer: Yes. Corporate vehicles are eligible for funding as long as the applicant is an eligible entity. An eligible entity can provide funding/benefits to private fleet owners through subawards and rebates.

Date Posted: 5/8/2020

**C.9:** *We would like to reduce emissions from our marine auxiliary generators. Is replacing the engine in a marine auxiliary generator an eligible project?*

Answer: Yes. Replacing the engine in an existing diesel-electric genset consists of replacing the existing diesel engine in the genset, but the existing electric generator component will not be replaced. Engine replacements are eligible for 75% funding. If the entire diesel-electric genset is replaced, the equipment replacement is eligible for 50% funding.

Date Posted: 5/8/2020

**C.10:** *We are submitting an application to replace a stationary diesel generator in a power generation system. Is equipment that monitors the operation of the generator system and produces information that is used to maximize the efficiency and minimize the emissions of the generator an eligible expense? Is the technical service to monitor the performance and make the programming changes to maximize the system efficiency and minimize the emissions an eligible expense?*

Answer: The eligible cost of an equipment replacement includes the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. In general, the system monitoring equipment and technical services to set up and run the new equipment are eligible expenses to the extent the applicant can justify these expenses to make the new equipment functional. The cost of additional “optional” components or “add-ons” that significantly increase the cost of the equipment may not be eligible for funding under the grant if not justified.

The equipment category of your grant budget should not include equipment service or maintenance contracts that are not included in the purchase price for the equipment. These types of proposed costs should be included in the “Other” category.

Date Posted: 6/2/2020

**C.11:** *What are the eligibility requirements for qualifying nonroad equipment?*

Answer: Diesel powered nonroad engines, equipment and vehicles that are eligible for funding include, but are not limited to, those used in construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps). Eligible nonroad equipment also includes transport refrigeration units (TRUs). See Table 1 in Section I.B.2, and Table 3 in Section I.B.4 for additional information.

Date Posted: 6/11/2020

**New** **C.12:** *Is a gas engine eligible for replacement under the DERA Tribal grant?*

Answer: No, the existing engine must be a diesel engine. The DERA program is specifically focused on reducing diesel emissions.

Date Posted: 7/2/2020

## **D. Application Process**

**D.1:** *Where is the application for the grant program?*

Answer: The Request for Applications (RFA Number EPA-OAR-OTAQ-20-07) contains all project eligibility and application submission information. The RFA, as well as a project narrative sample template and an applicant fleet description template, may be found at [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal). Applicants can download an application package, including required forms, from [www.grants.gov](http://www.grants.gov) under Funding Opportunity Number EPA-OAR-OTAQ-20-07. Applicants must upload the project narrative and all supporting documents to the application package in grants.gov, and the full package submitted to EPA through [www.grants.gov](http://www.grants.gov). Please refer to the proposal submission checklist in Appendix G of the RFA to ensure that all required information is included in your package.

Date Posted: 4/23/2020

**D.2:** *Are we eligible to apply if we have received DERA funding through another opportunity?*

Answer: Yes, you may apply for funding under this funding opportunity. Participation in one program does not preclude you from participating in others; however, an applicant may not accept funding from multiple programs for the same vehicle.

Date Posted: 4/23/2020

**D.3:** *What is the applicant's mandatory cost-share requirement?*

Answer: Applicants are responsible for cost-sharing between 0% and 60% of the equipment cost, depending on the project type. Please see Section III.B.1 of the RFA for a detailed description of the cost-sharing guidelines.

Date Posted: 4/23/2020

**D.4:** *Can applicants get assistance with the Diesel Emissions Quantifier?*

Answer: Yes, you may contact the DEQ Helpline by emailing [DEQhelp@epa.gov](mailto:DEQhelp@epa.gov) for assistance. We recommend you start working with the Quantifier early.

Date Posted: 4/23/2020

**D.5:** *Where can I find the most recent list of priority areas?*

Answer: The Priority Area List is available at [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal).

Date Posted: 4/23/2020

**D.6:** *What is the maximum federal funding request under this RFA? What is the total amount of funding available under this RFA?*

Answer: Applicants may request up to \$800,000 per application. EPA anticipates awarding approximately \$2 million total under this RFA.

Date Posted: 4/23/2020

**D.7:** *The serial number on an engine is severely corroded. The applicant has the make and model information, but no documentation. Is this vehicle eligible?*

Answer: The absence of a serial number will not render an engine ineligible. Participating fleet owners must attest to the ownership, usage, and remaining life criterion in Section I.B.6.a.-e. of the RFA in a signed eligibility statement which includes each vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state. This documentation is not required at the time of application submittal to EPA but is required as part of programmatic reporting to verify the eligible use of grant funds. A sample eligibility statement may be found at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa). On older engines, sometimes engine labels are missing or unreadable. In these cases, the grantee can work with their EPA Project Officer to determine sufficient or alternative engine documentation. Often the engine manufacturer can assist in obtaining missing engine information.

Date Posted: 5/26/2020

**D.8:** *Can we use in-kind contributions (e.g., project management labor costs) as part of the mandatory cost share?*

Answer: No. Costs subject to the cost share requirements only include the purchase price of equipment and its installation. Project management labor costs may be billed to the grant in full under "Personnel". Alternatively, labor costs incurred by the recipient organization may be contributed to the grant as a voluntary in-kind cost share under "Personnel".

Date Posted: 6/17/2020



## E. Project Administration

### i. Competitive Procurement Requirements

**E.i.1:** *Are grantees required to use competitive bidding for procurements?*

Answer: Yes, all recipients of EPA grant funds must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of the regulations at 2 CFR Part 200, as appropriate. However, an existing contact may be utilized if the grantee or subgrantees can demonstrate that the vendor was selected through a competitive process that meets the requirements. Refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements for EPA's policies on competitive procurements.

Date Posted: 4/23/2020

### ii. General

**E.ii.1:** *What is the project period for this funding opportunity?*

Answer: In general, the project period for awards resulting from this solicitation is expected to begin on October 1, 2020. EPA anticipates most projects can be completed within 24 months; however, initial project periods of up to 36 months will be allowed where justified by the activities, timeline, and milestones detailed in the workplan.

Date Posted: 4/23/2020

**E.ii.2:** *How can Tribal VW beneficiaries use funds towards EPA's Tribal Grants?*

Answer: Should Tribal VW beneficiaries choose EMA 10 (the DERA Option), Tribal entities can use VW mitigation trust funds as non-federal voluntary matching funds under this funding opportunity. For more information, see [www.epa.gov/dera/vw-dera-option-tribes-supporting-documents](http://www.epa.gov/dera/vw-dera-option-tribes-supporting-documents).

Date Posted: 4/23/2020

**E.ii.3:** *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: 4/23/2020

**E.ii.4:** *Is DERA funding contingent on Buy American qualifications?*

Answer: No. Buy American requirements do not apply to grants awarded under this funding announcement.

Date Posted: 5/8/2020

**E.ii.5:** *Our marine vessel does not have an hour gauge or a logbook, as the tribal commercial fishery does not require hour tracking. How can we demonstrate that the vessel meets engine operating hour requirements?*

Answer: Participating fleet owners must attest to the ownership, usage, and remaining life criterion in Section I.B.6.a.-e. of the RFA in a signed eligibility statement which includes each vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state. This documentation is not required at the time of application submittal to EPA but is required as part of programmatic reporting to verify the



eligible use of grant funds. A sample eligibility statement may be found at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa). In the absence of a usage meter or logbook, the vessel owner must attest is a signed statement that, to the best of their knowledge based on typical or average use; the engine operated at least 1000 hours per year during the two years prior to the upgrade.

Date Posted: 5/26/2020

**E.ii.6:** *Two villages are planning to apply jointly and list a tribal consortium as the applicant. A project partner is providing \$90,000 in matching funds for one community, which is more than enough to meet that community's cost share. Can the excess matching funds be used to help the other community meet its mandatory cost share since the villages are submitting a joint application?*

Answer: Yes. The tribal consortium is responsible for ensuring all required cost sharing under the grant is met. The source of the non-federal cost share funding is irrelevant.

Date Posted: 6/17/2020

**New E.ii.7:** *Are contracts for system monitoring equipment and technical services contracts subject to the mandatory cost share?*

Answer: It depends. EPA funding for eligible equipment and associated installation costs is limited to the cost shares defined in Section III.B.1. Eligible equipment costs include design and engineering, parts and materials, and labor required to ensure the effective installation and functioning of the new technology. Eligible equipment costs include equipment service or maintenance contracts that are included in the purchase price for the equipment. Service contracts that are procured separately from the purchase of the equipment should be included in the "Other" category and do not require a recipient cost share.

Date Posted: 7/2/2020