

Questions and Answers: FY 2011 Request for Proposals (RFP)

Wednesday, February 02, 2011

National Clean Diesel Funding Assistance Program, FY 2011 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-11-01)

Clean Diesel Emerging Technologies Funding Assistance Program, FY2011 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-11-02)

SmartWay Finance Program FY 2011 Request for Proposals (Funding Opportunity EPA-OAR-OTAQ-11-03)

The following Questions and Answers are compiled for the benefit of organizations considering applying for a grant under the above Request for Proposals.

- A. Applicant Eligibility
- B. Project Eligibility
 - i. Exhaust Controls
 - ii. Engine Upgrades
 - iii. Cleaner Fuels Use
 - iv. Idle-Reduction
 - v. Aerodynamics and Tires
 - vi. Repowers and Replacements
 - vii. Miscellaneous
 - viii. Emerging Technologies
 - ix. Smartway Finance
- C. Vehicle, Equipment, and Engine Eligibility
- D. Application Process
- E. Project Administration
 - i. Competitive Procurement Requirements
 - ii. General
- F. Tribal

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

Question A.1: *Can an individual apply for funding under this competition?*

Answer: No. Only the eligible entities listed in Section III of the RFP can apply for funding under this RFP.

Date Posted: 11/1/2010 Program: N, E

Question A.2: *Are National Clean Diesel Funding programs available to both corporate and public service fleets?*

Answer: Both public and private fleets may benefit from program activities, however only eligible entities may apply to EPA for funds. Eligible entities under the National Clean Diesel Emission Reduction Program's competitive funding opportunities include U.S. regional, State, local or tribal agencies or port authorities with jurisdiction over transportation or air quality, or nonprofit organizations or institutions that: 1) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or 2) have, as their principle purpose, the promotion of transportation or air quality. EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects.

Date Posted: 11/1/2010 Program: N, E

Question A.3: *Can a non-profit that is not a 501(c)(3) apply?*

Answer: In most cases, yes. Non-profit organizations, as defined by OMB Circular A-122, means any corporation, trust, association, cooperative, or other organization which is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest, is not organized primarily for profit, and uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" includes non-profit institutions of higher education and hospitals. Non-profit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply. See Section III.A. of the RFP for all details regarding eligible entities.

Date Posted: 11/1/2010 Program: N, E

Question A.4: *What is the definition of a Tribe? What about Intertribal Consortia?*

Answer: Federally recognized Indian tribal governments are defined as 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 him through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents federally recognized tribes. An 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: 11/1/2010 Program: N

Question A.5: *Are federal agencies considered eligible to receive funding under this RFP?*

Answer: No, federal agencies are not eligible entities.

Date Posted: 11/1/2010 Program: N, E

Question A.6: *How can we tell if our area is designated by Administrator as a poor air quality area?*

Answer: Poor air quality areas include areas designated nonattainment or maintenance of national ambient air quality standards for a criteria pollutants; Federal Class I areas; or areas with toxic air pollutant concerns. EPA's areas of nonattainment for criteria air pollutants can be found at: www.epa.gov/air/oaqps/greenbk.

Date Posted: 11/1/2010 Program: N, E

Question A.7: *Does the eligible entity have to be located in the same Region as the project location?*

Answer: No. Non-tribal applicants must submit their proposal to the EPA regional office which covers the geographic project location, regardless of where the applicant is located.

Date Posted: 11/1/2010 Program: N, E

Question A.8: *An eligible nonprofit does not have the cash flow to pay invoices and be reimbursed by EPA. Will EPA provide an advance to this non-profit should their application be awarded? Can the municipalities who partner with the non-profit pay invoices and be reimbursed by EPA through the non-profit?*

Answer: EPA cannot provide cash advances. Successful grant recipients can elect to use the Automated Standard Application for Payments (ASAP) system. ASAP is an automated drawdown system sponsored by the US Department of the Treasury. The recipient initiates via ASAP an electronic payment request which is approved or rejected based on the amount of available funds authorized by EPA in the recipient's account. Approved funds are credited to the recipient organization at the financial institution identified on the recipient's ASAP enrollment application. These funds can be used by the recipient to pay for valid invoices and other valid grant expenses.

Date Posted: 11/12/2010 Program: N, E

Question A.9: *The announcement says that half of the funds will go to public fleets. Does this mean that 50% of each grant would have to be expended on public vehicles?*

Answer: No. Under EPA Act 2005, EPA must provide at least half of all funds from this grant program in any given fiscal year to the benefit of public fleets.

EPA anticipates approximately \$32 million for this fiscal year announcement; thus, at least \$16 million must be for the benefit of public fleets. Any single grant from an eligible entity may go exclusively to either public or private fleets, but aggregate funding totals over the entire nation for FY2011 must meet the EPA Act 2005 requirement.

For the purposes of this RFP, emissions reductions for the benefit of public fleets include, but are not limited to, projects involving: school buses; municipal fleets; public or private equipment contracted for public works; public or private vehicles and equipment that serve public ports.

Date Posted: 11/19/2010 Program: N, E

Question A.10: *Is a project in near-nonattainment area eligible?*

Answer: Yes, projects in these areas are eligible.

Date Posted: 11/19/2010 Program: N, E

Question A.11: *Are transit organizations an eligible entity?*

Answer: A municipal transit organization would be eligible; a private transit organization would not be eligible.

Date Posted: 11/19/2010 Program: N, E

Question A.12: *Is a county fire department with a large fleet eligible to apply for these funds?*

Answer: Yes, a county fire department would be eligible.

Date Posted: 11/19/2010 Program: N, E

Question A.13: *Can you apply for funding if you were funded last year?*

Answer: Yes. You can apply for funding if you were funded in the past. Anyone eligible to apply may apply.

Date Posted: 11/19/2010 Program: N, E

Question A.14: *Can public utilities apply for this grant funding? If so, do they need to apply themselves or go through a public-private partnership with a non-profit organization?*

Answer: School districts, municipalities, metropolitan planning organizations (MPOs), cities and counties -- including their public utilities -- are all eligible entities under this assistance agreement program. A privately held utility is not an eligible entity and thus cannot directly apply for funds. To be eligible for funding, a private utility must partner with an eligible entity as defined in Section III.A of the RFP.

Date Posted: 11/19/2010 Program: N, E

Question A.15: *How does EPA define jurisdiction over transportation or air quality?*

Answer: Eligible entities can make decisions which impact transportation or air quality. A local government, such as a municipality, would be eligible. A school district would be eligible because it is responsible for decisions

regarding transportation of students. Entities can explain why they fit the definition.

Date Posted: 11/19/2010

Program: N, E

Question A.16: *Is a school district in Region 2 eligible for funding, and if so at what percentage would a bus replacement be funded?*

Answer: Yes, School districts are eligible entities, and school bus replacements are eligible for 25% cost funding from EPA.

Date Posted: 11/19/2010

Program: N, E

Question A.17: *Can an AQMD (Air Quality Management District) be an eligible entity?*

Answer: Yes, eligible entities include regional, State, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principle purpose, the promotion of transportation or air quality.

Date Posted: 11/24/2010

Program: N, E

Question A.18: *Do municipalities that need to follow EPA's NESHAP-RICE ruling qualify for grant funding?*

Answer: DERA funds cannot be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. Emission reductions in excess of (above and beyond) those required by the applicable mandate are eligible.

- 1) For existing non emergency use engines (meaning constructed before 6/12/06 or 12/19/02 depending on a couple of factors) located at both area sources and major sources of hazardous air pollutants (HAP), the rule imposes numeric emission limits for CO for engines >300 HP beginning in 2013. Engines are expected to need to be retrofit with an oxidation catalyst to meet the emission limits. Engines that fall under this requirement can be funded with NCDC funds until 2013, when the requirement goes into effect.
- 2) For existing non emergency engines 100-300 HP located at a major source of HAP, the rule imposes numeric emission limits for CO that engines may or may not be able to meet without a catalyst (these limits are not as stringent as the ones for engines >300 HP). If an engine less than 300 HP is not located at a major source of HAP, it may be eligible for funding under the NCDC.
- 3) For existing non emergency engines <100 HP located at a major source of HAP, existing non emergency engines <300 HP located at an area source of HAP, and existing emergency engines, the rule does not impose numeric emission limits. Instead, there are maintenance practices such as changing the oil and filter, and inspecting belts and hoses. Those engines are covered by the new rule but they would not have to meet any emissions reductions targets. Owners would simply be responsible for performing proper maintenance. Since these are not mandated emissions reductions targets, these engines may still be eligible for funding under the NCDC.
- 4) For new engines >500 HP located at a major source of HAP (new

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meaning constructed or reconstructed after 12/19/02), the NESHAP also has numeric emission limits for CO that should require an oxidation catalyst to be met. Irrigation engines are not typically this big, so this likely would not influence their eligibility for funding under NCDC.

5) For new engines less than or equal to 500 HP located at a major source of HAP and new engines of any HP located at an area source of HAP (new meaning constructed or reconstructed after 6/12/06), they should comply with the NESHAP by meeting the requirements in the NSPS (40 CFR part 60 subpart III). The emission limits in the NSPS are similar to the emission standards for nonroad engines.

Date Posted: 11/24/2010 Program: N, E

Question A.19: *Where can I find a list of eligible entities with whom my company can partner?*

Answer: We suggest you review past grant recipients on the NCDC website at www.epa.gov/otaq/diesel/projects.htm. You may also want to visit the websites of the Regional DERA Collaboratives at <http://www.epa.gov/cleandiesel/prgnational.htm>, or contact local air quality agencies for more information.

Date Posted: 11/24/2010 Program: N, E

Question A.20: *Are commercial biodiesel producers eligible to receive grant funding to subsidize biodiesel purchases?*

Answer: No. Only the eligible entities listed in Section III of the RFP can apply for funding under this RFP.

Date Posted: 12/8/2010 Program: N

Question A.21: *Can emerging technologies entities eligible under this solicitation apply for the National Clean Diesel Funding Assistance Program?*

Answer: The same entities are eligible under the National and Emerging Technologies RFPs. The projects eligible under the Emerging Technologies program, however, are not eligible under the National Clean Diesel Funding Assistance Program (and vice versa).

Date Posted: 12/8/2010 Program: N, E

Question A.22: *Are there any similar programs that can help private business owners since private corporations are not eligible for NCDC funding?*

Answer: Private companies that do not partner with an eligible entity may look for funding from other sources. We recommend browsing www.grants.gov, a database of federal funding opportunities, or the website of your state's clean air agency for possible grants or contracts that may be open to private companies.

Date Posted: 12/16/2010 Program: N

Question A.23: *Can you please confirm if ship breaking companies are eligible for this grant?*

Answer: Only eligible entities as identified in Section III (A) of the RFP may apply. A private company may partner with an eligible entity but cannot apply on its own. In addition, please be aware that "ship breaking" (ship disposal or demolition) is not an eligible activity under this RFP.

Date Posted: 1/3/2011

Program: N

Question A.24: *Can you please clarify what is meant on page 53 under 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, State, or local law." We are in an Air Quality Management District that has "mandated" that any time a municipality replaces a diesel powered vehicle, it must be replaced with an alternative fuel source, such as CNG. Would a proposal to subsidize replacements of diesel-powered vehicles with CNG-powered ones be eligible, given the AQMD's mandate?*

Answer: Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under this RFP shall be used to fund the costs of emissions reductions that are mandated under Federal, State, Tribal or local law. If the Air Quality Management District is an agency or instrumentality of State or local government and the mandate at issue was enacted into law by the Air Quality Management District, then the funds under this RFP may not be used to support these activities. The restriction for mandated measures applies only to mandates that have the force of law.

Date Posted: 1/3/2011

Program: N

Question A.25: *Are state universities (and their 501c3 auxiliaries) that own and operate a diesel powered marine research vessel supporting student education, training and research eligible for EPA funding to repower the vessel?*

Answer: It depends. Under this solicitation, only the following entities are eligible to apply for assistance, in accordance with 42 U.S.C. 16131(3) and CFDA 66.039:

1. A regional, State, local or tribal agency (or intertribal consortium) or port authority with jurisdiction over transportation or air quality; and
2. A nonprofit organization or institution that:
 - a. represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or
 - b. has, as its principal purpose, the promotion of transportation or air quality.

If a State university is an agency or instrumentality of a State and the State university has jurisdiction over transportation or air quality, the State university is eligible for assistance as a State agency with jurisdiction over transportation or air quality. For a university to be considered a State agency, the university must fall within the definition of "State" in 40 CR 31.3. State universities interested in applying for assistance under this solicitation as State agencies should have counsel for the State government contact henning.julie@epa.gov with information justifying that the university is an agency of the State government. Supporting information should include: (1) whether the university is funded by State appropriations; (2) whether the university's management answers to the State government; (3) whether the State government is liable for torts committed by the university

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and its employees; (4) whether the university's employees are part of the State government's pension system; and (5) whether State government's personnel laws apply to the employees.

If a State university is a non-profit organization and it represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or b. has, as its principal purpose, the promotion of transportation or air quality, then the State university is an eligible non-profit organization.

Date Posted: 1/3/2011

Program: N, E, S

Question A.26: *We are an organization that represents hundreds of nonpublic schools around the country that provide private transportation to their students. Is our understanding correct: in order for a nonpublic school to apply, a public school district would apply and administer a project on behalf of the private school bus contractor. Have nonpublic schools been successful in receiving this funding through the public school system in the past? Who are the contact points in the school system in order to start this process?*

Answer: If the school is a not-for-profit organization, the nonpublic school may be eligible because it is responsible for decisions regarding transportation of students. If the school is for profit, you are correct that an eligible entity would have to apply and administer a project. A list of funded projects can be found on the website at <http://www.epa.gov/otaq/diesel/projects.htm>. A school transportation officer could be a good person with whom to discuss such a project.

Date Posted: 1/11/2011

Program: N

New Question A.27: *What are the requirements, if any, for collaborative efforts between private and government agencies? Are there any special requirements for the lead agency or organization?*

Answer: EPA welcomes collaborative public/private proposals to the SmartWay Finance Program open RFP. However, only eligible entities may apply for funds. To be involved, private entities must partner with an eligible public or non-profit entity. This eligible entity will serve as the official administrator of the finance grant program, and will be responsible for overall project management and all required reporting. Section IV.G of the RFP states "EPA awards funds to one eligible applicant as the recipient even if other eligible applicants are named as partners or co-applicants or members of a coalition or consortium. The recipient is accountable to EPA for the proper expenditure of funds." Please see Section IV.G (page 24) for more information on project partnerships.

Date Posted:

Program: S

New Question A.28: *Do applicants need to be registered on any specific lists with the EPA, or hold any specific EPA certification? Also, can an organization who is not a 501 (c) (3) be the lead applicant on this? Or should a co-applicant who is a registered non-profit take the lead?*

Answer: No, eligible entities wishing to apply do not need to be registered on any EPA lists or be certified by EPA. The applicant must be an eligible entity as defined in Section III.A of the RFP. Eligible entities include U.S. regional, State, local or tribal agencies or port authorities with jurisdiction over transportation or air quality, or nonprofit organizations or institutions that: 1) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or 2) have, as their principle purpose, the promotion of transportation or air quality. If the lead applicant meets this criteria, it does not need to be a registered non-profit. Private companies are not eligible entities. However, EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects.

Date Posted:

Program: S

B. Project Eligibility

i. Exhaust Controls

Question Bi.1: *Are DPF filter cleaning machines eligible for funding?*

Answer: Applicants may propose to include Diesel Particulate Filter regeneration equipment necessary for the proper maintenance of the verified retrofit equipment.

Date Posted: 11/1/2010

Program: N

Question Bi.2: *We would like to install diesel oxidation catalysts (DOCs) on non-road construction equipment. The applicability for the DOCs on EPA's Verified Technologies List does not explicitly mention non-road engines. Would using these retrofit devices still be an eligible activity?*

Answer: Devices must be used on the engines for which they were specifically verified by EPA or California Air Resources Board. The EPA Verified Technologies List is available at www.epa.gov/otaq/retrofit/verif-list.htm.

Date Posted: 11/1/2010

Program: N

Question Bi.3: *If a school bus was previously retrofitted with an exhaust control and we now wish to install an EPA verified fuel operated heater, is this eligible for 50% or 100% funding?*

Answer: Idle reduction technology projects that don't have a verified exhaust control option are only eligible for up to 50% funding. The verified exhaust control option cannot have already been implemented in the past.

Date Posted: 11/12/2010

Program: N

Question Bi.4: *Does a technology have to be on the verification list when an application for funding is submitted, or can it be on the Emerging Technology List and subsequently achieve full verification prior to the award deadline? How does this compare to applications for the separate Emerging Technologies funding program?*

Answer: For a potential emerging technology to be eligible for funding, it must be on the emerging technologies list by the close of that RFP. For a potential verified technology, it must be on the verified list by the time it is purchased

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by a grantee for installation. You may wish to coordinate directly with the manufacturer of the devices you are considering using to determine the likelihood of the equipment being listed. There is no guarantee that the technology will be added to the Verified Technologies List. We recommend that you investigate the possibility of applying to the Emerging Technologies RFP.

Date Posted: 11/19/2010 Program: N, E

Question Bi.5: *You say funding "up to 100%" of retrofit costs. What determines the actual percentage paid?*

Answer: The RFP states that we will provide funding "up to 100%" because an applicant could request less than 100% funding from EPA, and in that case we would pay the amount requested. If an applicant requests 100% of the retrofit cost and the application is selected for funding, however, we will pay 100% of the retrofit cost (labor, installation and other associated costs).

Date Posted: 11/19/2010 Program: N

Question Bi.6: *Is it acceptable to install a CCV system on a 2007 or newer on-highway engine?*

Answer: No. On-highway engines certified in 2007 and later model years have controlled crankcase emissions as part of the engine certification requirements.

Date Posted: 11/19/2010 Program: N

Question Bi.7: *If a school bus already has been retrofitted with a DOC or DPF or has a DOC or DPF factory installed, is installing a CCV eligible (assuming that the CCV combined with the DPF or DOC is listed in combination on the verified technology list)? If bundled with an idle reduction technology, is this project eligible for 100% grant funding?*

Answer: Projects must include one or more diesel emissions reduction solutions that utilize a certified engine configuration and/or a EPA or CARB verified technology. Adding a closed crankcase ventilation (CCV) system to a vehicle is acceptable if it will represent a verified combination. It may not be possible to determine the manufacturer of a factory installed DOC or DPF, so this may require additional documentation to demonstrate it would be a verified combination. Further, on-highway engines certified in 2007 and later model years have controlled crankcase emissions and are not acceptable for adding CCV systems. If a CCV addition is acceptable as a verified combination, it could be bundled with an idle reduction technology and be eligible for 100% grant funding.

Date Posted: 11/19/2010 Program: N

Question Bi.8: *Are technologies that are CARB-verified, but not EPA verified, eligible?*

Answer: Yes, under the National Clean Diesel Funding Assistance Program, funding may be used for EPA and/or CARB verified engine configurations and technologies as defined in Section I.D of the RFP.

Date Posted: 11/19/2010 Program: N

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Question Bi.9: *Is funding for verified exhaust controls technologies (as outlined in RFP section I.D.2.a) limited to retrofits only? If so, please define what you consider “retrofits” for this program.*

Answer: A “retrofit” project is defined broadly to include any technology, device, fuel or system that when applied to an existing diesel engine achieves emission reductions beyond what is currently required by EPA regulations at the time of the engine’s certification. A list of eligible, EPA verified retrofit technologies is available at www.epa.gov/otaq/retrofit/verif-list.htm; a list of eligible, CARB verified retrofit technologies is available at www.arb.ca.gov/diesel/verdev/vt/cvt.htm.

Date Posted: 1/11/2011 Program: N

Question Bi.10: *If a fleet of off-road equipment has been retrofitted with a DOC that was funded with a previous NCDC grant, would the same fleet be eligible for additional retrofits of SCRs or DPFs in National Clean Diesel Funding Assistance Program?*

Answer: Yes. Ensure that you check the verification lists ensure that the retrofit technology is verified for your specific non-road engine type and year.

Date Posted: 1/11/2011 Program: N, S

Question Bi.11: *Would a project to replace an old or non-functional filter, catalyst, or other exhaust control technology with a newer and cleaner version be an eligible activity, and if so, would it be a Vehicle Retrofit (Sec I.D.2.a), or Equipment Replacement (I.D.2.e.)?*

Answer: A project to replace an old or non-functional filter, catalyst, or other exhaust control technology with a newer and cleaner version would be eligible as a retrofit. A list of eligible, EPA verified retrofit technologies is available at www.epa.gov/otaq/retrofit/verif-list.htm; a list of eligible, CARB verified retrofit technologies is available at www.arb.ca.gov/diesel/verdev/vt/cvt.htm.

Date Posted: 1/11/2011 Program: N

ii. Engine Upgrades

Question Bii.1: *What are engine upgrade kits?*

Answer: An engine upgrade kit consists of parts (turbo charger, fuel injector, pistons, etc.) that are used to rebuild the engine to an engine configuration which is certified to meet more stringent federal emission standards. For example, a tier 0 nonroad engine could be upgraded to a certified tier 1 nonroad configuration.

Date Posted: 11/1/2010 Program: N

Question Bii.2: *The engines in my project were certified with a family emission limit (FEL) shown on the emission control system label. Does that need to be addressed in my proposal?*

Answer: Yes. Engines certified with an FEL need to have the emission benefits considered relative to the FEL not the general federal standards. An engine replacement or engine upgrade must clearly document the original and replacement engine and their associated standard levels or FELs to

determine the overall environmental benefit of the proposal.

Date Posted: 11/1/2010

Program: N

Question Bii.3: *Is purchasing new diesel vehicles and have them upgraded with a certified CNG conversion kit to replace existing vehicles an eligible activity? Would this be eligible for both the 25% of the cost of the replacement vehicle plus 25% of the cost of the CNG conversion?*

Answer: A replacement vehicle is eligible so long as it has a certified engine configuration. In a vehicle replacement project, the funding available is based on the total cost of the vehicle and certified engine configuration. The funding level is applicable to the total cost of the replacement vehicle, with an alternative fuel conversion installed or not.

Date Posted: 11/19/2010

Program: N

Question Bii.4: *Can the funding be used for the cost differential on the purchase of a new CNG vehicle?*

Answer: Yes. CNG vehicles are eligible as replacement vehicles. For replacement of highway diesel vehicles and equipment, this funding can cover the incremental cost of a newer, cleaner vehicle or piece of equipment, powered by an engine certified to the 2010 or newer model year standards for highway heavy-duty diesel engines, up to 25% of the cost of an eligible replacement vehicle/equipment (except for drayage vehicles;), that: (a) is particulate filter equipped (or catalyst equipped in the case of a CNG engine); and (b) meets regulatory requirements for engines manufactured in 2010 or later.

Vehicle 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 generally defined as a replacement or repower that is scheduled to take place between now and the end of the project period. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

The purchase of new vehicles or equipment to expand a fleet is not covered by this program.

Date Posted: 11/19/2010

Program: N

Question Bii.5: *Is conversion to electric an eligible project?*

Answer: Repower refers to the removal of an existing engine and replacing it with a newer, cleaner engine that is certified to a more stringent set of engine emissions standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a cleaner fuel and/or the replacement of a non-road engine with a highway engine. In order for a repower to be eligible, the repowered vehicle, engine or equipment must continue to perform the same function as before the repower. The proposed project would be eligible if the applicant can demonstrate that the new engine is certified to be cleaner than the existing engine.

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Date Posted: 11/19/2010

Program: N

iii. Cleaner Fuels Use

Question Biii.1: *What is the acceptable method to determine price differential for a proposed fuel switch (e.g., from diesel to biodiesel) project?*

Answer: 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: 11/1/2010

Program: N

Question Biii.2: *Will a dual fuel (Diesel/NG) generator qualify for grant funding under the DERA program?*

Answer: Yes. Projects may include, but are not limited to, eligible diesel emission reduction solutions from heavy duty diesel non-road engines and equipment used in energy production (including stationary generators and pumps). Projects must include one or more of the diesel emissions reduction solutions listed in Section I.D.2 of the RFP that utilize a certified engine configuration and/or a verified technology. For repower or replacement projects, scrappage requirements will apply.

Date Posted: 11/12/2010

Program: N

Question Biii.3: *Regarding the National Clean Diesel Funding Assistance Program 2011 RFP, would conversion to natural gas (fleet vehicles) be an eligible activity?*

Answer: Alternative fuel conversions must be certified to be eligible. Consequently, converting vehicles to use natural gas can be eligible as long as the conversion kit is certified. Additionally, repowering vehicles with engines certified on natural gas may be eligible as explained in Section I.D.2.d of the RFP. Please note that this funding cannot be used for fueling infrastructure, such as that used for the production and/or distribution of fuel such as natural gas fueling stations.

Date Posted: 11/12/2010

Program: N

Question Biii.4: *Can projects include alternative fuel conversions for diesel engines?*

Answer: Yes, however alternative fuel conversions must be certified to be eligible. Guidance related to fuel conversions is at:
http://iaspub.epa.gov/otaqpub/display_file.jsp?docid=23319&flag=1.

Date Posted: 11/19/2010

Program: N

Question Biii.5: *Given the frequently fluctuating prices, how is the incremental price difference between conventional fuel and cleaner fuel determined?*

Answer: You should base your application on a conservative estimate/average/projection of your diesel fuel costs to allow for price fluctuations.

Date Posted: 11/19/2010

Program: N

Question Biii.6: *Are biodiesel fuel projects eligible?*

Answer: Yes, biodiesel fuel projects are eligible. What we would pay for is the cost differential between the conventional fuel and the cleaner fuel. In this case the cleaner fuel is the biodiesel fuel.

Date Posted: 11/19/2010 Program: N

Question Biii.7: *Is moving from a gasoline fleet to propane fleet eligible?*

Answer: No. The only vehicles that can be replaced under this RFP are diesel vehicles.

Date Posted: 12/8/2010 Program: N

Question Biii.8: *We would like to apply for grant funding for the purchase of vehicles used to collect vegetable oil, the purchase and retrofit of a biofuel-powered vehicle, construction of a processing shed and equipment and also the ongoing costs to operate the biofuel program, including supplies, fuel to power the used vegetable oil collection vehicles and labor to operate the program. Would these activities be eligible?*

Answer: Based on our understanding of your question, these activities would not be eligible because you would not be replacing or retrofitting existing vehicles. Additionally, no funds awarded under this RFP shall be used for fueling infrastructure such as that used for the production and/or distribution of fuel such as biodiesel.

Date Posted: 11/19/2010 Program: N

Question Biii.9: *Would that fuel difference include Urea?*

Answer: The RFP states that federal funding can pay the cost differential between the cleaner fuel and the conventional fuel. However, urea is not a fuel. If an applicant wishes to use a verified selective catalytic reduction technology, the cost of the urea supply can be included as part of the proposal. Currently, federal funding cannot be used for infrastructure, so urea re-fueling stations are not eligible.

Date Posted: 11/19/2010 Program: N

Question Biii.10: *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 i.e. the fuel itself, not the fueling infrastructure.

Date Posted: 11/19/2010 Program: N

Question Biii.11: *Our municipality has two public fleets. One already runs on B20 biodiesel fuel; the other runs on ULSD. Can NCDC funding support the incremental cost of fuel for both fleets, or just the one that is not using B20 already?*

Answer: EPA will pay for the cost differential for new fuel contracts or changes to existing contracts. If an entity is already purchasing biodiesel or ULSD at a premium, EPA will not provide reimbursement for that activity. However, EPA will pay the cost differential associated with renewing, extending or obtaining a new contract for cleaner fuel.

Date Posted: 11/19/2010

Program: N

Question Biii.12: *Is there a mandatory cost share requirement for projects involving cleaner fuel activities?*

Answer: No, only projects involving engine upgrades, verified idle reduction technologies, verified aerodynamic technologies and low rolling resistance tires, certified engine repowers, or certified vehicle/equipment replacements are subject to a mandatory cost share requirement. This funding can cover the cost differential between the cleaner fuel and conventional diesel fuel.

Date Posted: 12/1/2010

Program: N

Question Biii.13: *Can an emergency vehicle (diesel fire truck or diesel ambulance) be replaced with a gasoline fire truck? Our chief is concerned that some of the new diesel technology has auto shut-offs that would not be appropriate for an emergency vehicle.*

Answer: No. As stated in Section I.D.2.e of the RFP, non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and use engines certified by EPA and, if applicable, CARB to meet a more stringent set of emissions standards. Gasoline is not a diesel or alternative fuel.

Date Posted: 1/11/2011

Program: N

Question Biii.14: *Is B 5% an eligible 'cleaner fuel type' with regard to the National Clean Diesel Assistance Program?*

Answer: Yes.

Date Posted: 1/11/2011

Program: N

Question Biii.15: *Does a project replacing older diesel vehicles with newer gasoline vehicles qualify for the RFP's cleaner fuels funding?*

Answer: No. Gasoline is not eligible for cleaner fuels funding, nor is a gasoline vehicle an eligible replacement vehicle. Eligible cleaner fuels are listed in Section I.D.2.a.iii, and requirements for vehicle replacements are described in Section I.D.2.e of the RFP.

Date Posted: 1/11/2011

Program: N

iv. Idle-Reduction

Question Biv.1: *Do the automatic shut off switches for idling control have to be in locomotives, or can it be the software package on class 8 trucks or buses?*

Answer: Only automatic shut-down systems to reduce idling for locomotives are currently on EPA's SmartWay verified list at this time. Equipment purchased with funds from National Clean Diesel Emission Reduction Program (DERA) grants must be on the SmartWay verified list (www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm) or verified diesel retrofit technologies list (www.epa.gov/otaq/retrofit/verif-list.htm) at the time of the acquisition to be eligible. These lists are regularly updated as new products are verified.

Date Posted: 11/1/2010 Program: N

Question Biv.2: *If a state implements new idling regulations, can EPA fund idling reduction projects under this grant, while the state regulation is in effect?*

Answer: It depends. For example, if a state regulation requires engines be turned off after a certain period of idling, but does not mandate a technology, then the purchase of an APU would be eligible. However, funding under this RFP cannot go toward any project for which there is an existing federal, state or local requirement.

Date Posted: 11/1/2010 Program: N

Question Biv.3: *If an applicant applies for an idle project like shore power, and there isn't an exhaust control option to combine with the project, does it still only qualify for up to 50% funding?*

Answer: Yes. For the national program, idle reduction technology projects that don't have a verified exhaust control option, like shore connection systems or electrified parking spaces, are only eligible for up to 50% funding.

Date Posted: 11/1/2010 Program: N

Question Biv.4: *Our company manufactures auxiliary power units, engine heaters, and other idle reduction technologies. Will NCDC grantees be able to use NCDC funding to purchase and install our technologies?*

Answer: A list of EPA verified idle reduction technologies is available at www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm. Technologies proposed for funding under this category must be specifically named on this list, and may only be used for the vehicle application specified on the list. (i.e. long haul trucks, school buses, locomotives, etc. as identified on the verification website.)

For this RFP, APUs and generators are not eligible for vehicles with 2007 or newer certified engine configurations on long haul Class 8 vehicles. Please note that APUs and generators are eligible for installation on long haul Class 8 vehicles with 2006 and older certified engine configurations.

Date Posted: 11/12/2010 Program: N

Question Biv.5: *When combining idle reduction and retrofit, do both always have to go on*

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the same vehicle, or can there be a mix of some idle reduction on some vehicles in a fleet and some emissions retrofits on other vehicles in a fleet?

Answer: The different types of technologies (e.g., idle reduction and exhaust control) must be on the same vehicle. So in order to get a higher percentage of funding via bundling, you must bundle the relevant technologies on the same vehicle (e.g., an auxiliary power unit and a diesel particulate filter on the same truck).

Date Posted: 11/19/2010 Program: N

Question Biv.6: *Would an idle reduction technology be included in the purchase of vehicle replacement with the idle reduction technology placed on the new vehicles?*

Answer: Yes.

Date Posted: 11/19/2010 Program: N

Question Biv.7: *Can funding cover 100% of the cost of truck stop electrification projects?*

Answer: No, truck stop electrification projects are eligible for only 50% funding.

Date Posted: 11/19/2010 Program: N

Question Biv.8: *Are coolant heaters for school buses that reduce idling eligible for funding?*

Answer: There are several Fuel Operated Heaters (FOH) verified for school buses. Please see <http://www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm> for a list of SmartWay verified idle reduction technologies.

Date Posted: 11/19/2010 Program: N

Question Biv.9: *Is a vehicle with a current or new, verified exhaust control device (and therefore does not need a new device under DERA) subject to 50% cost share or 0% cost share for an idle reduction technology?.*

Answer: Idle reduction technology projects that don't have a verified exhaust control option are only eligible for up to 50% funding. The verified exhaust control option cannot have already been implemented in the past. Be aware that funding from this program cannot cover APUs for trucks with 2007 and newer engine model years.

Date Posted: 11/19/2010 Program: N

Question Biv.10: *Are automatic shutoff devices for construction equipment covered, and if so what percent?*

Answer: Automatic shutoff devices are not covered for construction equipment, because they are not listed as a verified technology for that specific vehicle type. You would find that information on the smartway technologies verification list at <http://www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm>

Date Posted: 11/19/2010 Program: N

Question Biv.11: *Please clarify "however no funds awarded under this RFP shall be used for the purchase of aluminum wheels"?*

Answer: Purchasing aluminum wheels is not an eligible activity under this RFP.

Date Posted: 11/19/2010

Program: N

Question Biv.12: *Why is the idle reduction technology not verified for off-road equipment? Is the EPA going to allow this verification soon or in time for this DERA grant period?*

Answer: Through the SmartWay Transport Partnership, EPA researches and verifies idle reduction technology which refers to a technology, device or system that allows truck operators to refrain from long-duration idling of the main propulsion engine by using an alternative technology to meet the heating, air conditioning, hotel and other driver and engine service needs during the federally mandated required hours of service rest periods for class 8, long haul, heavy duty trucks. EPA is currently researching the feasibility of developing a set of test procedures that can be used to compare the performance of idle reduction technologies which may enable expansion into other areas of idle reduction technology verification. Such research and development of verification procedures for idle reduction technology are complex and will not be available to affect this DERA grant period.

Date Posted: 11/19/2010

Program: N

Question Biv.13: *Are battery powered APUs eligible for funding under this grant opportunity?*

Answer: Eligible APUs and Battery Air Conditioning Systems are listed on the SmartWay Verified Technologies List at www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm. Please refer to this list to find an eligible technology that may be used for funding under this program.

Date Posted: 11/24/2010

Program: N

Question Biv.14: *Will the grant fund projects to install heaters on trucks other than class 8, such as on medium-duty vehicles?*

Answer: EPA has verified fuel operated heaters for use in Class 8 vehicles and school buses only. Please refer to the Smartway verified technologies list, located at www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm.

Date Posted: 11/24/2010

Program: N

Question Biv.15: *What if a fleet wants to install an APU with a DPF on the APU unit? Would this be covered at 100%? Or does the exhaust control need to be installed on the tractor itself?*

Answer: The new eligible verified exhaust control technology needs to be installed directly onto the vehicle and configured to clean emissions from the main engine. An APU with a DPF on the APU unit would be eligible for 50% funding.

Date Posted: 12/1/2010

Program: N

Question Biv.16: *Is designing and installing a shore-to-ship electrical connection system an eligible use of funds under this RFP?*

Answer: Shore connection systems and alternative maritime power are eligible uses

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of funds under this RFP.

Date Posted: 12/1/2010 Program: N

Question Biv.17: *The RFP clearly states that the APU is funded at 50 percent unless installed with a DOC or DPF, in which case 100 percent funding will be awarded. However, how does this apply to locomotive APUs since there aren't any eligible exhaust controls available for locomotives? Does that mean any locomotive APU is simply set at 50 percent?*

Answer: Yes, that is correct. Since there are no EPA-verified exhaust control technologies available for locomotives, EPA would fund 50 percent of the locomotive APU.

Date Posted: 12/8/2010 Program: N

Question Biv.18: *If an entity purchases a replacement school bus with an installed fuel-operated heater, will EPA pay 100 percent of the heater cost or is the heater included in the total cost of the bus which is funded at 25 percent? If the heater is installed after-market but prior to the bus being placed into service, is it eligible for 100 percent funding or 50 percent funding?*

Answer: If the fuel-operated heater (FOH) is purchased as part of an eligible vehicle replacement, EPA would fund the incremental cost of the newer, cleaner vehicle up to 25 percent of the total price. If purchased as a retrofit, EPA would fund up to 50 percent of the cost.

Date Posted: 12/16/2010 Program: N

Question Biv.19: *Would the incremental cost of including making a ship that's being built shore power-capable qualify for idling reduction funding?*

Answer: As stated in section I.D of the RFP, 50 percent of the incremental cost of the shore power idle reduction technology would be eligible for funding. That does not mean that 50% of the incremental cost of making a new ship would be eligible; only the cost of outfitting that new ship with shore power idle reduction technology would be eligible.

Date Posted: 12/16/2010 Program: N

Question Biv.20: *Can grant funding be used for the acquisition of climate-controlled "comfort stations" where drivers can wait during downtime as an idling reduction measure?*

Answer: No, comfort stations would not be eligible for idle-reduction funding under this RFP. A list of EPA verified idle reduction technologies is available at www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm. Technologies proposed for funding under this category must be specifically named on this list, and may only be used for the vehicle application specified on the list. (i.e. long haul trucks, school buses, locomotives, etc. as identified on the verification website.)

Date Posted: 12/16/2010 Program: N

Question Biv.21: *The RFP clearly states that the funding cannot be used to install an APU or generator on a 2007 or newer engine. Does this apply to fuel-operated heaters (FOHs) as well? Will funding cover a FOH on 2007 or newer engine*

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in a school bus or long haul vehicle?

Answer: Unlike APUs or generators, FOHs are eligible for funding for certain 2007 and newer engines. Please visit the list of Verified Idle Reduction Technologies to see which FOH and vehicle combination are eligible for funding under this program. The list is available at:
<http://www.epa.gov/otaq/smartway/transport/what-smartway/verified-technologies.htm#foh>

Date Posted: 1/3/2011 Program: N

Question Biv.22: *Is there any statute, rule or likewise that would prevent an applicant from applying for funding to re-install idle reduction equipment because it has been previously used or been previously federally funded? If a supplier or manufacturer has been removing equipment from some locations and those products may end up in an application to reinstall that equipment elsewhere.*

Answer: Funding may go toward the purchase of any verified idle reduction technology. EPA does not require a record of previous uses of a given device. However, no funds may go to the dismantling of an installed verified idle technology, even if it is to be relocated for continued or new use.

Date Posted: 1/11/2011 Program: N, S

v. Aerodynamics and Tires

Question Bv.1: *Can the Low Rolling Resistance tires be used in school bus projects, or just Class 8 truck projects?*

Answer: The procurement of low rolling resistance tires is only eligible for funding for Class 8 trucks at this time.

Date Posted: 11/1/2010 Program: N

Question Bv.2: *Are EPA Certified SmartWay trailers eligible for funding?*

Answer: EPA Certified SmartWay trailers used in long-haul Class 8 applications are eligible as replacement equipment (either as a trailer replacement or as part of a tractor-trailer replacement). See Section I.D.2.e Vehicle and Equipment Replacements in the RFP for more details. EPA Certified SmartWay trailers, which utilize verified aerodynamic technologies and low rolling resistance tires, can significantly reduce fuel use and emissions. A list of EPA Certified SmartWay trailers is available at www.epa.gov/smartway/transport/what-smartway/tractor-trailer-tech.htm.

Date Posted: 11/1/2010 Program: N

Question Bv.3: *Can a class 8 public fleet apply for funding solely for trailer aerodynamics?*

Answer: EPA will fund aerodynamic technologies for trailers on Class 8 long haul trucks only if they are installed in combination with verified exhaust control or idle reduction technologies. See Section I.D.2.c of the RFP for more information.

Date Posted: 11/12/2010 Program: N

Question Bv.4: *Combining verified aerodynamic features on a tractor and trailer along with idle controls and/or exhaust controls is an eligible funded activity. However*

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most trucking companies operate with 2 to 4 more trailers than tractors in their fleet. The RFP states that the combined technologies must be installed on the "same vehicle". Are you funding trailer skirts only on a one-to-one basis with tractors or will there be a consideration for how fleets are actually managed in terms of the ratio between tractors and trailers?

Answer: Funding is only provided for aerodynamic technologies on a trailer if the project also includes the new installation of either a verified idle reduction technology and/or a verified exhaust control on a tractor, as described in Section I.D.2 of the RFP. We prefer for the technologies to be installed on the same tractor/trailer combination, but we recognize that fleet operations may be such that it makes sense for aero and/or tire technologies to be installed on a trailer that is not attached to the tractor receiving the idle reduction and/or exhaust control. If so, please explain in your application.

Date Posted: 11/19/2010

Program: N

Question Bv.5: *Will a project be eligible for funding if a trailer getting low rolling resistance tires or aerodynamics is pulled by a tractor getting exhaust control or idle reduction?*

Answer: Stand-alone projects that only implement low rolling resistance tires or verified aerodynamics technologies will not receive funding. However, when these approaches are coupled with the installation of new idle reduction technologies, grant money may support up to 50% of the total cost, including tires and the aerodynamic technologies. When coupled with the installation of new verified exhaust controls (with or without idle reduction technologies), grant money may support up to 100% of the total cost, including tires, aerodynamic technologies, and any idle reduction technologies.

Date Posted: 11/19/2010

Program: N

Question Bv.6: *In the recent Q+A update your answer to question Bv.4 explained that it is acceptable for a project to install verified trailer aerodynamics in combination with verified idle reduction or exhaust control on a tractor, in a fleet scenario wherein the tractor is not always mated to the same trailer (which is typical of fleet operations). I believe part of the question regarding the trailer to tractor ratio of a fleet remains unanswered. Most fleets must operate 2 to 4 times as many trailers as tractors. Therefore one would have to outfit 2 to 4 trailers with aerodynamics to correlate with the installation of one tractor being implemented with idle reduction or exhaust control. For example: please consider a fleet with 10 tractors and 30 trailers, which represents a 1 to 3 tractor to trailer ratio. To maximize the emission savings over the entire fleet, for each tractor receiving idle reduction or exhaust control, three trailers would have to be outfitted with aerodynamics. Could such a fleet apply for 10 tractor APU's and 30 aerodynamic packages for trailers, so that all tractor/trailer combinations in the fleet feature both technologies at all times, and therefore operate with maximized efficiency?*

Answer: No. Funding is only provided for aerodynamic technologies on a trailer if the project also includes the new installation of either a verified idle reduction technology and/or a verified exhaust control on a tractor, as

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described in Page 12 of 30 Section I.D.2 of the RFP. Therefore, every trailer that is installed with verified aerodynamics must be paired with an engine retrofitted with verified diesel emissions control technology. Any additional aerodynamic technologies for trailers within the fleet will need to be funded by the applicant.

Date Posted: 12/1/2010

Program: N

vi. Repowers and Replacements

Question Bvi.1: *What equipment is required for repower or replacement projects?*

Answer: The entire certified engine configuration, including the full new emission control system, is required for repowers and replacement projects. For example, if a 2001 engine originally equipped with a diesel oxidation catalyst (DOC) is replaced with a 2005 engine that was certified with a DOC, the replacement 2005 engine must be installed with a new DOC as originally specified by the engine manufacturer (unless the project also included the installation of a DPF).

Date Posted: 11/1/2010

Program: N

Question Bvi.2: *If a repower requires replacement of other components can EPA fund 75% of this cost as well, including installation? If so, what documentation would be required to show that this additional equipment is necessary for proper operation of the new certified engine?*

Answer: EPA does not require detailed documentation in the grant proposal, but directly related costs to the repower may be included and may be funded. If a grant is awarded, the grantee will provide documentation of the components and associated costs in the project. Associated costs may include engine mounting hardware or parts such as mounting brackets for installation of the new diesel oxidation catalyst which was part of the certified engine configuration for the repower. Similarly, if the repower requires a new aftercooler, that would be included (since it is part of the certified engine configuration) with the associated hardware and installation costs.

Date Posted: 11/12/2010

Program: N

Question Bvi.3: *Can the recipient use financing to secure the cost-share for an eligible replacement vehicle?*

Answer: Yes, the recipient can secure their cost-share through a loan from a third-party lender if at the time the bus is purchased 25% of the cost is paid by the EPA grant and 75% of the cost is paid by the recipient. EPA would not be involved in any third-party agreements between the recipient and a private lender.

Date Posted: 11/12/2010

Program: N

Question Bvi.4: *Would a hydraulic refuse solution that saves fuel and, hence, emissions be eligible?*

Answer: We assume you mean a hydraulic refuse hauler. Yes, this would be eligible under 25% cost share as a replacement project. For replacement projects,

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scrappage requirements will apply.

Date Posted: 11/19/2010

Program: N, E

Question Bvi.5: *If 50% funding is desired for a drayage truck replacement, how much of a percentage of time would the truck need to spend in a port? Also what documentation would be required to prove this time is spent at a port?*

Answer: The percent of time a DERA funded drayage truck should operate at a port will depend on a number of variables. Where the demand for drayage trucks is relatively constant over the year, DERA -funded drayage trucks should operate a larger percent of time at the port. In areas where the demand fluctuates, it would be reasonable to expect the DERA -funded drayage trucks to operate a greater number of trips at non-port venues. Grant applicants are encouraged to develop proposals that maximize truck operations at the ports, while taking into consideration local variables. A range of 60 to 100 percent could be considered reasonable.

Date Posted: 11/19/2010

Program: N

Question Bvi.6: *How can I track how long my dray truck spends at a port?*

Answer: GPS tracking devices may be one way to document the amount of time or trips a DERA funded drayage truck operates at a port. These devices are becoming increasingly common in drayage trucks, provide a mechanism to track emissions, and are increasingly popular with truck drivers because they can be used to improve their performance and retrieve stolen vehicles.

Date Posted: 11/19/2010

Program: N

Question Bvi.7: *Can replaced engines be retrofitted with verified emissions systems for a tier increase and be sold back into service?*

Answer: Yes. A non-road engine may be returned to the original engine manufacturer for remanufacturing to a certified cleaner emission standard. A highway engine may be returned to the original engine manufacturer for remanufacturing to MY 2007 or newer certified emission standards. If scrapped or salvaged engines are to be sold, program income requirements apply.

Date Posted: 11/19/2010

Program: N

Question Bvi.8: *If a school district in Region 2 wants to replace older diesel buses with propane buses that meet the 2010 emissions standards, what % of funding will they be eligible for? Would it be the difference between the cost of a new diesel bus and the propane bus UP to 25% of the total cost of the vehicle or is it 25% of the incremental cost?*

Answer: The incremental cost, up to 25 percent of the total cost of the new vehicle.

Date Posted: 11/19/2010

Program: N

Question Bvi.9: *Is there limitation on model year being replaced in replacement option?*

Answer: Non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and use engines certified by EPA and,

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if applicable, CARB, to meet a more stringent set of engine emissions standards. If the replacement project uses new diesel engines, highway and non-road diesel vehicles and equipment replacements must be powered by a 2010 or newer model year certified engine. Eligible replacement drayage trucks must meet EPA's 2007 or newer emissions levels for heavy-duty highway vehicles. While there is no specific model year limit for the vehicle being replaced, replacements due to normal attrition are not allowed. Please see Section I.D.2.f for specific guidance on what is considered normal attrition.

Date Posted: 11/19/2010 Program: N

Question Bvi.10: *How would off road equipment replacement projects work? Scrap value? Book value? Or is a % of the cost of the new replacement equipment?*

Answer: This funding can cover the incremental cost of a newer, cleaner vehicle or piece of equipment powered by a 2010 or newer model year certified non-road diesel engine, up to 25% of the cost of an eligible replacement vehicle/equipment. Scrappage requirements apply to replacement projects, so the engine would need to be scrapped or remanufactured to the next EPA standard (see Section I.D.2.e.v of the RFP).

Date Posted: 11/19/2010 Program: N

Question Bvi.11: *Hybridization for bucket trucks, like Eaton or Terex systems -- it appears that they would fit into the "vehicle replacement" category. Customers can purchase bucket trucks w/ Terex (for example) systems installed, or can have their hybrid system installed on currently in-use bucket trucks. Will either of these be possible within this category?*

Answer: Replacement projects can include the replacement of diesel vehicles/equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment.

Date Posted: 11/19/2010 Program: N

Question Bvi.12: *Would a plug-in, electric-powered bus be eligible as a repower or replacement?*

Answer: Yes, it would be eligible under 25% cost share as a replacement project. For replacement projects, scrappage requirements will apply.

Date Posted: 11/19/2010 Program: N

Question Bvi.13: *If 2010 vehicles are the only new vehicles and equipment available for purchase new, what will be considered as the cost basis for determining incremental, eligible costs for vehicle/equipment replacements?*

Answer: The RFP allowed the applicant up to 25% of the cost of the new vehicle (50% for dray trucks, see Section I.D.2.e.iv for details). The applicant can choose any percentage up to 25% of the total cost of the 2010 replacement vehicle (some applicants choose a lower percentage to make their applications more cost-effective and competitive).

Date Posted: 1/11/2011 Program: N

Question Bvi.14: *My company manufactures electric vehicles. Can airports or trucking companies use our vehicles to replace diesel engines in their fleets?*

Answer: Non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and use engines certified by EPA and, if applicable, CARB to meet a more stringent set of engine emissions standards, including electric. Private companies, however, are not eligible entities under this RFP and would need to partner with an eligible entity as described in Section III.A.

Date Posted: 11/19/2010 Program: N

Question Bvi.15: *Under engine repowers, can a port repower its cranes from running on diesel engines to buying off the electrical grid? Would the program help them with costs to electrify the cranes or allow for ship to shore power? If so, what are the allowable costs?*

Answer: Under the provisions of an engine repower project, a qualifying engine may be replaced with an entirely electric propulsion system, and 75% of the costs (labor and equipment) are eligible. In addition, shore power is an eligible technology under "Idle Reduction Technologies," and 50% of the costs (labor and equipment) associated with installing the appropriate equipment is eligible.

Date Posted: 11/19/2010 Program: N

Question Bvi.16: *Are CNG projects (vehicles, infrastructure, etc.) eligible for DERA funds?*

Answer: CNG replacement projects are eligible, however, this funding cannot be used for fueling infrastructure, such as that used for the production and/or distribution of fuel.

Date Posted: 11/19/2010 Program: N

Question Bvi.17: *If we are replacing an older diesel bus that is ready for retirement but decide to replace it with a hybrid instead of a 2010 diesel bus, would the incremental cost of the hybrid be eligible or would we have to retire a diesel bus before the end of its useful life to qualify for the program?*

Answer: You will have to retire a diesel bus that has not yet reached the end of its useful life. Repower 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 generally defined as a replacement or repower that is scheduled to take place between now and the end of the project period. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule. For example, if a school bus fleet typically retires vehicles after 20 years, a bus that is currently in its 18th or 19th year of service is not eligible for replacement. A bus that is currently in its 17th year of service and has 3 years of useful life remaining (as defined by the fleet's retirement schedule) is eligible for replacement.

Date Posted: 11/24/2010 Program: N

Question Bvi.18: *Are trailer refrigeration units (TRUs) covered on reefer trailers?*

Answer: Yes, TRUs are eligible as replacement projects. Scrappage requirements will apply.

Date Posted: 11/24/2010 Program: N

Question Bvi.19: *Can a dual-axle dump truck be purchased (25% EPA share) and replace two, single-axle dump trucks and meet the RFP requirement that they be similar vehicles performing similar functions?*

Answer: The project is eligible if the replacement vehicle is of the same type and similar gross vehicle weight rating or horsepower as the vehicle being replaced, and if the replacement vehicle performs the same function as the vehicle that is being replaced.

Date Posted: 12/1/2010 Program: N

Question Bvi.20: *What type of project would an eTRU infrastructure be and what rate would such a project be funded?*

Answer: If your project is to replace an existing TRU with either a newer, cleaner TRU or an eTRU, that project would be considered a repower and eligible for 75 percent funding.

Date Posted: 12/8/2010 Program: N

Question Bvi.21: *Please specify what would qualify as a dray truck replacement that meets 2007 newer emissions standards besides just a MY engine that is 2007 or newer. Specifically would a MY engine 2004-2006 with a retrofit device such as a DOC or DPF be sufficient?*

Answer: EPA recently revised the RFP to clarify the requirements for dray truck replacement projects. EPA will fund up to 50% of the cost of an eligible drayage truck with a 2004 to 2006 model year engine equipped with a diesel particulate filter that produces at least an 85% reduction in particulate matter. For project proposals to fund 2004-2006 model year engines, the applicant should include information in their proposal to address the viability of the diesel particulate filter to operate satisfactorily in a drayage setting. This information should include datalogging, exhaust temperature operating requirements, previous history of use, etc. Also, if active filters are to be used to address operational requirements, the applicant should address the operational requirements and associated costs.

Date Posted: 12/16/2010 Program: N

Question Bvi.22: *Would a project involving retrofitting Rubber Tired Gantry (RTG) cranes to run on shore based electric power be eligible for funding?*

Answer: Retrofitting RTG cranes to run on shore-based electric power would fall under the category of an engine repower. See Section D.2.d in the RFP for more information about how engine repower activities may be funded.

Date Posted: 12/16/2010 Program: N

Question Bvi.23: *My school district wishes to replace a gas-powered mini bus (19 passenger) with a new propane mini bus. Is this an eligible activity?*

Answer: No, replacement of light-duty vehicles is not an eligible activity under this RFP.

Date Posted: 12/16/2010 Program: N

Question Bvi.24: *We are proposing a repower application that would convert one existing conventional locomotive into a mother/slug locomotive (a single unit comprised of two four-axle locomotive platforms) powered by generator sets. Would the private railroad partnering with us need to properly dispose of one engine (one locomotive platform) in order to comply with the certified engine repower requirements?*

Answer: Yes, your partners would need to properly dispose of a locomotive platform engine as part of a repower project, per Section I.D.2.d.i. of the RFP describing scrappage requirements.

Date Posted: 12/16/2010 Program: N

Question Bvi.25: *For a vehicle replacement project, does the total vehicle replacement price include just the chassis, or does it also include additional equipment that is required for the vehicle to be used for its intended purpose (e.g., a dump box, undercarriage blade, caution strobe lights, etc.)?*

Answer: Funding for eligible vehicle replacements can include the cost of all additional equipment that is needed to meet the same capabilities as the vehicle being replaced.

Date Posted: 1/3/2011 Program: N, S

Question Bvi.26: *Does the 25 percent funding of the cost of a vehicle replacement include just the cost of the vehicle, or does it include tax, title, licenses, and potential wrapping as well?*

Answer: The eligible acquisition cost of equipment means the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices.

Date Posted: 1/3/2011 Program: N

Question Bvi.27: *What is the policy for repowers that require the original engine as a core credit towards the new engine? Does this grant allow for returning the core without destroying the original engine?*

Answer: In order for a engine repower project to be eligible for funding, the original engine block must be rendered permanently inoperable, or returned to the original engine manufacturer for remanufacturing to MY 2007 or newer certified emission standards (for highway engines) or a certified cleaner emission standard (for non-road engines). Evidence of appropriate disposal, including the engine serial number, is required in a final assistance agreement report submitted to EPA. Drilling a hole in the engine block and manifold while retaining possession of the engine is an acceptable scrapping method. Other

methods may be considered and will require prior EPA approval. If scrapped engines are to be sold, program income requirements would apply. If an engine is returned to the engine manufacturer, EPA may require documentation from the grantee and manufacturer demonstrating compliance with this requirement.

Date Posted: 1/3/2011

Program: N

Question Bvi.28: *I would like to apply to obtain a CNG vehicle under the National Funding Assistance Program; is this a replacement project or a cleaner fuels project? What is the funding available and what are the restrictions for this type of project?*

Answer: If you are looking to do an early replacement of an existing diesel vehicle with a new CNG vehicle, this would be considered a replacement project. Replacement projects are subject to the requirements outlined in the RFP under Section I.D.2.e. If you would like to replace a diesel engine with a certified CNG engine this would be considered a repower project, and is subject to the requirements in Section I.D.2.d. Cleaner Fuels Use projects, as described in Section I.D.2.a.iii, do not cover equipment costs.

Based on our understanding of your question, your project would be considered a replacement because you are looking to obtain a new CNG vehicle and not repower an existing diesel vehicle. EPA will pay the incremental cost of the new vehicle, up to 25 percent of the total cost of the new vehicle.

Incremental cost is the cost of the "cleaner, greener" portion of the vehicle or equipment, defined in the RFP as up to 25% of the cost of the newer, cleaner vehicle or piece of equipment (50% in the case of dray trucks). For replacement projects, scrappage requirements will apply.

Date Posted: 1/11/2011

Program: N

Question Bvi.29: *Regarding the repowering of a genset in a marine vessel: Must the electric generator be disabled in addition to disabling the diesel engine? Can the existing electric generator be kept by the owner as a spare or salvaged?*

Answer: No, the electric generator does not need to be disabled when repowering a genset in a marine vessel. Only the diesel engine must be scrapped.

Date Posted: 1/11/2011

Program: N, S

Question Bvi.30: *If, at the time of the grant application, the owner is in the process of repowering with an older diesel engine, would a repower project be eligible?*

Answer: The repower on this diesel engine would not be eligible. The activities funded under this grant must all take place within the project period, and cannot have occurred prior to when the project period begins.

Date Posted: 1/11/2011

Program: N

Question Bvi.31: *Are diesel-to-electric replacement projects eligible for funding? Electricity is defined as an alternative fuel by EPA and DOE, but electric engines do not require certification by EPA. Additionally, it would need neither a PM filter*

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nor a catalyst.

Answer: Yes, the early replacement of a diesel engine with an electric one would be an eligible project.

Date Posted: 1/11/2011 Program: N

Question Bvi.32: *I would like to replace an older diesel truck with a new, diesel truck. It is cleaner since it is based on 2010 emission standards. Assuming the cost of the new truck is \$100,000, what is the "incremental cost"?*

Answer: The incremental cost is the difference between that of a traditional engine and that of the cleaner engine. For this RFP, we assume that the dollar value of the incremental cost is no more than 25% of the purchase price of the vehicle. The applicant can decide how much of that 25% (in this case \$25,000) they wish to apply for from EPA.

Date Posted: 1/11/2011 Program: N

Question Bvi.33: *If a fleet replaces a diesel vehicle with a new diesel vehicle during the project term, then converts the new vehicle to CNG, would the conversion be eligible for 75% reimbursement on the repower, assuming the vehicle replacement was not also reimbursed?*

Answer: Yes. This funding can cover up to 75% of the cost (labor and equipment) of an engine repower. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a cleaner fuel.

Date Posted: 1/11/2011 Program: N

Question Bvi.34: *Could you please elaborate on the ranking for an electrical peaking stationary genset. According to our interpretation, these applications would be ranked low on effectiveness. Is this correct?*

Answer: Proposals will be scored based on the eight Evaluation Criteria in Section V.1. of the RFP. "Effectiveness" is not one of the listed evaluation criteria, although there is a sub-criteria for the "cost-effectiveness" of the project (criterion 3.b). For that criterion, please refer to Appendix E for an explanation of how to calculate the cost effectiveness of the project.

Date Posted: 1/11/2011 Program: N

Question Bvi.35: *For marine vessel repowers, is there a not-to-exceed percentage to take into account (HP of new engine divided by HP of existing engine)?*

Answer: As with non-marine engines, the project is eligible if the replacement engine is of similar horsepower as the one being replaced, and if the replacement engine does not limit or increase the scope of the boat's functions beyond what it was before.

Date Posted: 1/11/2011 Program: N

Question Bvi.36: *If a boat was traditionally powered by an older inboard diesel engine, but due to mechanical problems, the operator temporarily replaced it with a gas engine until the diesel engine was repaired, would they qualify for a diesel repower?*

Answer: It is hard to understand every scenario from the information provided, but in this situation it appears that the diesel engine is old and inoperable and due to be replaced anyway. It is therefore not eligible for a repower project since repowers 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.

Date Posted: 1/11/2011

Program: N

vii. Miscellaneous

Question Bvii.1: *Can funds be used for a project that is already started or will be started before the expected award date?*

Answer: No. Any funding awarded under this announcement must be used for activities that 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.

Date Posted: 11/1/2010

Program: N

Question Bvii.2: *Are engine lubricants such as MotorSilk® eligible for funding?*

Answer: Eligible projects must include a diesel emissions reduction solution that utilizes a certified engine configuration and/or a verified technology. Engine lubricants are not a verified technology. The verified technologies list is available at www.epa.gov/otaq/retrofit/verif-list.htm.

Date Posted: 11/12/2010

Program: N

Question Bvii.3: *Will aerodynamic drag reduction / fuel savings / emission reduction technologies be funded under the National Clean Diesel Funding Assistance Program FY 2011 RFP# EPA-OAR-OTAQ-11-01?*

Answer: Eligible diesel emission reduction solutions include verified emission control technologies such as retrofit devices, cleaner fuels, and engine upgrades, verified idle reduction technologies, verified aerodynamic technologies and low rolling resistance tires, certified engine repowers, and/or vehicle or equipment replacement. See the full RFP (EPA-OAR-OTAQ-11-01) for details.

Date Posted: 11/12/2010

Program: N

Question Bvii.4: *Are there any funds available for research?*

Answer: No, there are no funds available for research under this RFP.

Date Posted: 11/19/2010

Program: N

Question Bvii.5: *Can a town combine its marine vessels ,ie. ferryboats, work boats and law enforcement boats as one project?*

Answer: Yes. A single proposal may target multiple fleets, fleet types and/or diesel emission reduction solutions. Projects may also combine technologies in order to further reduce emissions. For example, a project may combine

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verified idle reduction, aerodynamic, or tire technologies with verified retrofit technologies or combine engine repower with verified retrofit technology.

Date Posted: 11/19/2010 Program: N

Question Bvii.6: *Is there a website that lists EPA certified fuel conversion kits, or engine repowers that could convert an existing diesel engine to run on an alternative fuel such as natural gas?*

Answer: Please see
http://iaspub.epa.gov/otaqpub/display_file.jsp?docid=23319&flag=1 for information regarding fuel conversions.

Date Posted: 11/19/2010 Program: N

Question Bvii.7: *Is research to regenerate catalytic converters an eligible project?*

Answer: No funds awarded under this RFP shall be used for emissions testing and/or air monitoring activities (including the acquisition cost of emissions testing equipment), or research and development.

Date Posted: 11/19/2010 Program: N

Question Bvii.8: *Since the delay of the California off-road regulation is not official yet, would retrofitting construction equipment in California be an eligible project?*

Answer: On December 17, 2010, California Air Resources Board approved major amendments to the off-road regulation, delaying the first compliance date to no earlier than January 1, 2014, for all fleets. Due to this recent change, retrofitting construction equipment in California is now an eligible project.

Date Posted: 1/11/2011 Program: N

Question Bvii.9: *Is a project to build a repower hybrid prototype eligible for funding? Or would that be considered an emerging technology?*

Answer: A project involving the building of a repower hybrid prototype would be ineligible for funding under the National Clean Diesel Funding Assistance Program. Funding may be used only for EPA and/or CARB verified engine configurations and technologies as defined in Section I.D of the RFP, Use of Funds. No funds may be used for research and development. Please refer to the Emerging Technology webpage, www.epa.gov/otaq/diesel/prgemerg.htm, to find information on how Emerging Technologies may qualify to be placed on that list.

Date Posted: 11/24/2010 Program: N, E

Question Bvii.10: *Can DERA funds be applied to solar powered projects?*

Answer: No, solar panels are not a verified diesel emissions reduction technology.

Date Posted: 11/24/2010 Program: N

Question Bvii.11: *Are technologies that will reduce trucks from excess idling while they are waiting for clearance from customs to enter California be eligible? The technologies would be installed in Mexico.*

Answer: No. Under this RFP, funds must be used for diesel emissions reduction

applications located "within" the states listed by Region. Projects on foreign soil would not be "within" a given state and therefore are not permitted.

Date Posted: 11/24/2010 Program: N

Question Bvii.12: *In my state, emergency vehicles are currently exempt from diesel emissions regulations. Would these vehicles qualify for replacement, repowers and/or retrofits using DERA funds?*

Answer: Those vehicles would be eligible for funding, provided they meet the criteria set forth in the RFP and the applicant is an eligible entity.

Date Posted: 12/1/2010 Program: N

Question Bvii.13: *How do the new mandatory diesel regulations coming into effect in 2011 factor into this grant program, if at all?*

Answer: Mandated emissions reductions are defined by the date the mandate goes into effect, not the date the mandate is passed or approved. For proposals that include activities covered by a mandate, those activities must be completed before the mandate goes into effect, regardless of the length of the grant project period.

Date Posted: 1/3/2011 Program: N

Question Bvii.14: *Would maintenance for non-road diesel equipment be an eligible activity under this RFP?*

Answer: No. Maintenance as a stand-alone project is not an eligible use of funds. Only the activities specified in Section I.D of the RFP are eligible for funding.

Date Posted: 1/3/2011 Program: N

Question Bvii.15: *What if a technology I am interested in hasn't been verified but testing has begun? If they have successfully completed their testing by January 27, will they be eligible to participate in this grant?*

Answer: For a potential emerging technology to be eligible for funding, it must be on the emerging technologies list by the close of that RFP (1/27/11). For a potential verified technology, it must be on the verified list by the time it is purchased by a grantee for installation.

The EPA verification process has four steps: application, test plan, testing, and data analysis. It is difficult to estimate how long a technology needs to spend at each step since each technology is different. However, a technology is not verified or certified until the manufacturer receives a formal letter from EPA or CARB.

Date Posted: 1/11/2011 Program: N, E

viii. Emerging Technologies

Question Bviii.1: *Our company is currently part of a retrofit technology that is on the Emerging Technology List. Can eligible entities purchase our product under the National Clean Diesel Funding Assistance Program?*

Answer: No, technologies that are on the Emerging Technology List but not on the Verified Technologies List will only be eligible under the Emerging Technologies Program, a separate RFP. Also, the technology listed on any of the verified lists must be purchased in its entirety and installed according to the model years, engine family and specifications listed.

Date Posted: 11/24/2010 Program: N, E

Question Bviii.2: *Are California Air Resources Board-verified (CARB-verified) technologies eligible under this RFP?*

Answer: CARB-verified technologies are not eligible under the Emerging Technologies RFP. Only technologies on EPA's Emerging Technology list found at <http://www.epa.gov/cleandiesel/prgemerglist.htm> are eligible.

Date Posted: 12/8/2010 Program: E

Question Bviii.3: *Would it be possible under this RFP to work with local governments to develop a device?*

Answer: This is not a research and development program. This program is designed to promote new or innovative technologies that are market ready. While such an approach does not fit the purview of this program, it is welcome outside of this solicitation.

Date Posted: 12/8/2010 Program: E

Question Bviii.4: *Are the costs of testing and verifying a retrofit device eligible costs under the Emerging Technologies Grant Program? We are currently working to test and have the device verified under ARB's verification procedures.*

Answer: As discussed in the Request for Proposals, eligible entities, in consultation with the technology manufacturer, can propose to conduct testing that will further support the development and document the in-use operation of emerging technologies. Such test programs may include, but are not limited to, additional data logging and monitoring of device operation, and measuring emissions with a portable emission measurement system (PEMS) to document emission reduction durability. All costs associated with testing (including voluntary cost-share and/or leveraged resources) must be fully described in the application, and the level of funding awarded for testing will be considered in the project eligibility and ranking. The costs of testing will be included in determining the overall cost-effectiveness of the project.

Testing to be supported by Emerging Technologies grant funds must be relevant to the applicant's project in their proposal. If the test data is gathered according to the approvable test plan of a manufacturer whose technology is on the Emerging Technology list, then that test data may be considered for verification.

Date Posted: 12/8/2010

Program: E

Question Bviii.5: *We would like to submit a proposal demonstrating Emerging Technologies on equipment owned by a U.S. Federal Government Agency. Will the proposal be eligible for consideration?*

Answer: No. Funding cannot be used to retrofit another Federal Agency's equipment.

Date Posted: 12/8/2010

Program: E

Question Bviii.6: *Is there time to get technologies placed on the Verified Technologies List or Emerging Technologies List? If so, what are the costs associated with the required testing?*

Answer: It depends on the type of technology and if EPA is already familiar with the technology. EPA's verification team needs to have a clear understanding of the technology -- how it works, how it reduces emissions, if there are any safety and health concerns, if the technology requires registration, etc. If it is a brand new technology, it will take some time for the verification team to gain an understanding of how the technology works and for the manufacturer to complete the process. Also, it depends on how quick the manufacturer responds to EPA's queries regarding the technology, and how detailed the manufacturer's responses are. EPA cannot provide a timeline for the process without knowing all the required details and information on the technology. There is no guarantee that the technology will be added to the Emerging Technology List or the Verified Technologies List before the close of the RFP.

Testing costs associated with verification vary greatly depending on the technology involved. Please note that the NCDC has not been funded to provide financial support to manufacturers seeking verification, which means that they must pay for the testing program to verify the technology's performance.

Date Posted: 1/3/2011

Program: N, E, S

Question Bviii.7: *What happens if a technology on the ET list is added to the EPA verified technologies list and removed from the ET list when that happens? Specifically, we have been exploring a project with that technology on a different EMD engine under its ET designation (EMD 645) for this round of DERA funding. We're concerned that should the DOC kit be removed from the ET list after one engine's kit gets verified, it will eliminate the possibility of our project on another engine under the DERA ET solicitation.*

Answer: A prospective grantee should work with the technology manufacturer to understand the availability of the emerging technology. A grantee may also inquire, with the manufacturer, about progress required toward verification. The technology manufacturer must comply with Emerging Technology Program requirements. A technology is included on the Emerging Technologies List only for a limited amount of time, and it may be removed for different reasons. Consequently a prospective grantee must understand the potential risks of selecting a technology that may be removed from the Emerging Technologies List, as the technology must be on the Emerging

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Technologies List at the close of the RFP. EPA does not disclose tentative changes to its technology lists. If the technology is listed on the Emerging Technology list at the time of the closing of the RFP, and if an applicant is selected for award that has chosen to use that technology, and if at a later time the technology is removed from the list, the project can still proceed as originally planned.

Date Posted: 1/3/2011

Program: E

ix. SmartWay Finance

Question Bix.1: *Would a rebate program as an "incentive project" qualify under the SmartWay project eligibility criteria? Must a loan or leasing option be included?*

Answer: No. Funds awarded under this RFP shall not be used for funding subsidies or rebates towards the purchase of vehicles and/or equipment, per Section III.D.8 of the RFP. Finance programs must include specific financing incentives to purchase or lease vehicles or equipment retrofitted with emission reduction technology or to purchase the emission reduction equipment itself. A specific financial incentive can include, but is not limited to: longer repayment periods; lower interest rates; and/or more flexible qualification requirements (i.e., approving borrowers who would not typically be approved).

Date Posted:

Program: S

Question Bix.2: *Can I submit a proposal for EPA's SmartWay RFP to install emissions reduction devices on my vehicle/equipment?*

Answer: No. The SmartWay RFP provides eligible entities with funding to develop finance programs (such as revolving loan fund programs) to provide financing for diesel emissions reduction solutions. Please refer to the Request for Proposal at <http://www.epa.gov/air/grants/rfp-epa-oar-otaq-11-03.pdf> for additional information on the types of projects that are eligible under the SmartWay Finance Program. The National Clean Diesel Funding Assistance Program RFP, which closed on January 13, provides funding directly to fleets.

Date Posted:

Program: S

C. Vehicle, Equipment, and Engine Eligibility

Question C.1: *The RFP states that award funds cannot be used to meet federal, state, or local emissions reduction mandates. What if a mandate has been passed or approved but has not yet gone into effect? Also, does an "anti-idling" mandate preclude the use of award funds for anti-idling technologies?*

Answer: Mandated emissions reductions are defined by the date the mandate goes into effect, not the date the mandate is passed or approved. For proposals that include activities covered by a mandate, those activities must be completed before the mandate goes into effect, regardless of the length of the grant project period. An "anti-idling" requirement that does not require that a specific type (or types) of technology be installed or used is not considered a mandate and does not preclude use of award funds for anti-idling technologies.

Date Posted: 11/1/2010 Program: N

Question C.2: *Where can I find the definition of different classes of vehicles? Are they DOT classes? Is there any specifications for classes specifically related to DERA?*

Answer: For highway vehicles, only medium heavy-duty and heavy heavy-duty vehicles are eligible (Classes 5-8): 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). For a further definition of vehicles and weight classes, please see the Diesel Emissions Quantifier Default Values document available at <http://epa.gov/otaq/diesel/documents/deq-default-values.pdf>.

Date Posted: 11/1/2010 Program: N

Question C.3: *Would a crane at a port authority be an eligible piece of equipment?*

Answer: Yes.

Date Posted: 11/19/2010 Program: N

Question C.4: *Are transit buses eligible vehicles?*

Answer: Yes, transit buses are eligible, provided that the proposed diesel emissions reduction solutions meet the criteria laid out in Section I.D.2 of the RFP.

Date Posted: 11/19/2010 Program: N

Question C.5: *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles can be the target fleet for a project under this RFP, as long as the applicant is listed in the eligible entities section of the RFP Section III.A.

Date Posted: 11/19/2010 Program: N

Question C.6: *Are diesel airport shuttles (class 4 vehicles) eligible for replacement? If so, how do you utilize the DEQ for this class of vehicle?*

Answer: Class 4 vehicles are not eligible for replacement under this RFP.

Date Posted: 11/19/2010 Program: N

Question C.7: *Would airport equipment qualify for funding?*

Answer: Generally, airport equipment such as baggage haulers are eligible under this RFP. The entity applying must be an eligible entity.

Date Posted: 11/19/2010 Program: N

Question C.8: *Would the charging infrastructure to plug in electric refrigerated trailers (eTRUs) while they are docked qualify for funding under this announcement?*

Answer: Yes. The eligible acquisition cost of equipment means the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices. Applicants may propose equipment necessary for the proper maintenance of the verified equipment. The electrical supply portion is eligible for funding.

Date Posted: 11/19/2010 Program: N

Question C.9: *Does a 2010 compliant engine need to individually meet the engine standard, or be part of an engine fleet that meets the standard?*

Answer: The specific engine must be certified to the 2010 or newer model year standards.

Date Posted: 11/19/2010 Program: N

Question C.10: *Would a hybrid street sweeper with a 2010 diesel engine be eligible? This would be a replacement and the older street sweeper would be discarded.*

Answer: Yes, as long as the other competition and regulatory requirements are met. A street sweeper with a 2010 or newer on-highway certified medium or heavy-heavy duty engine would qualify as a replacement vehicle. The old street sweeper would need to be destroyed in accordance with program requirements.

Date Posted: 11/19/2010 Program: N

Question C.11: *If an engine is not yet certified in the United States can we apply for this RFP?*

Answer: No, engines must be certified by EPA or CARB to be eligible.

Date Posted: 11/19/2010 Program: N

Question C.12: *Can projects include replacing the diesel engine with a pure electric propulsion system such as in airport ground support equipment?*

Answer: Yes. Under the provisions of an engine replacement project, a qualifying engine may be replaced with an entirely electric propulsion system. Guidance related to vehicle conversions is at:
http://iaspub.epa.gov/otaqpub/display_file.jsp?docid=23319&flag=1.

Date Posted: 11/19/2010 Program: N

Question C.13: *Are bobtails ("box trucks") eligible vehicles?*

Answer: This type of vehicle would be eligible if it is a medium heavy-duty or heavy heavy-duty (Classes 5-8).

Date Posted: 11/19/2010 Program: N

Question C.14: *Are generators at water treatment facilities eligible?*

Answer: Yes, generators are eligible.

Date Posted: 11/19/2010 Program: N

Question C.15: *Is diesel electric hybrid eligible and if so, is it just the drive that is funded or would the entire vehicle be eligible?*

Answer: For replacements, the entire vehicle is eligible. For a repower project, the diesel engine could be replaced with a hybrid system. The engines must be certified, and scrappage requirements would apply to either type of project.

Date Posted: 11/19/2010 Program: N

Question C.16: *Some on-road 2010 engines are certified at higher than 0.2 g/bhp-hr NOx due to manufacturers receiving credits. The RFP indicates that 2010 model year engines are required for replacements. Do these engines have to meet the 0.2 g/bhp-hr emission rate or is any 2010 model year engine eligible?*

Answer: Any certified MY2010 that is particulate filter equipped (or catalyst equipped in the case of a CNG engine) is eligible.

Date Posted: 11/19/2010 Program: N

Question C.17: *Are commercial buses included in this or just school buses?*

Answer: Both commercial buses and school buses are eligible vehicles. The entity applying for funds must be an eligible entity.

Date Posted: 11/19/2010 Program: N

Question C.18: *For marine repower projects - is the funding cost share just for main propulsion engines, or are auxiliary engines allowed at the same cost share?*

Answer: Auxiliary engines are allowed.

Date Posted: 11/19/2010 Program: N

Question C.19: *What is your definition of a "transit fleet"?*

Answer: A fleet of vehicles, such as buses (excluding school buses), ferries, or rail, having the primary purpose of moving people.

Date Posted: 11/19/2010 Program: N

Question C.20: *Are stationary municipal utilities' diesel engines eligible for this program?*

Answer: Yes. Non-road engines used in Energy Production, including stationary generators and pumps, are eligible. Please refer to Section I.D.1. of the

RFP for a list of eligible vehicles, engines and equipment.

Date Posted: 11/24/2010 Program: N

Question C.21: *Would refrigerated trailers, or eTRUs in particular, be eligible under the Vehicle/Equipment Replacement portion of the program?*

Answer: Yes. Technologies for the electrification of engines/vehicles/equipment other than those specifically listed in the RFP as idle-reduction technologies may be eligible as a Repower (removal of a diesel engine and its replacement with an electric power source) or a Replacement (replacement of a diesel powered vehicle/equipment with an eligible electric vehicle/equipment).

Date Posted: 11/24/2010 Program: N

Question C.22: *Are locomotive slugs and mother units eligible for funding under this RFP?*

Answer: Yes. Locomotive engines (i.e., mothers) and traction motors without an engine (i.e., slugs), are eligible under Section I.D.1, Eligible Diesel Vehicles, Engines and Equipment.

Date Posted: 11/24/2010 Program: N

Question C.23: *Are alternative fuelled heavy-duty vehicles, such as those powered by Liquefied Natural Gas qualified for funding under the DERA program?*

Answer: Yes. The existing vehicle being replaced has to be a heavy duty diesel vehicle, but funding can be for early replacement of the existing heavy duty diesel vehicle with an alternatively fueled heavy-duty vehicle such as those powered by LNG, or projects may also convert or repower the existing heavy duty diesel vehicle to an LNG vehicle.

Date Posted: 12/1/2010 Program: N

Question C.24: *Will the EPA pay for an upgrade to a 2006 drayage truck with 2006 MY engine if an exhaust retrofit technology is also installed on the truck?*

Answer: EPA recently revised the RFP to clarify the requirements for dray truck replacement projects. EPA will fund up to 50% of the cost of an eligible drayage truck with a 2006 model year engine equipped with a diesel particulate filter that produces at least an 85% reduction in particulate matter. For project proposals to fund 2004-2006 model year engines, the applicant should include information in their proposal to address the viability of the diesel particulate filter to operate satisfactorily in a drayage setting. This information should include datalogging, exhaust temperature operating requirements, previous history of use, etc. Also, if active filters are to be used to address operational requirements, the applicant should address the operational requirements and associated costs.

Date Posted: 12/16/2010 Program: N

Question C.25: *Would non-road diesel equipment for golf course maintenance qualify for the EPA National Clean Diesel Funding Assistance Program?*

Answer: No. This is not an eligible use of funds. Per Section I.D.1, eligible non-road vehicles funded through this program must be heavy-duty vehicles used in

construction, handling of cargo, agriculture, mining or energy production.

Date Posted: 1/11/2011

Program: N

Question C.26: *Would a vehicle previously purchased with a federal grant be eligible to be replaced under the National Clean Diesel Funding Assistance Program?*

Answer: Yes.

Date Posted: 1/11/2011

Program: N

Question C.27: *Section I.D.1. states "Projects must include diesel emission reduction solutions from one or more of the following non-road diesel emission source types..." Are eligible projects limited to only non-road diesel emission reductions?*

Answer: No, the word "non-road" in this sentence is a typo. Eligible projects under this RFP can include the following diesel emission source types: buses; medium-duty or heavy-duty trucks; marine engines, locomotives and other 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).

Date Posted: 1/19/2011

Program: S

D. Application Process

Question D.1: *Should results of individual DEQ runs be included in the attachments?*

Answer: Specific outputs and outcomes should be included. In addition, applicants must describe what measurements will be used to track and measure progress towards achieving the expected outputs and outcomes and how the results of the project will be evaluated. It is suggested that the applicant fill out and include the table, or something similar, found in Appendix B, Part B, Section 2. It is not necessary to include the individual DEQ runs for various vehicles/technologies used to arrive at the total outputs/outcomes, however the Applicant Fleet Description should contain sufficient information necessary to recreate the individual DEQ runs.

Date Posted: 11/1/2010

Program: N

Question D.2: *What is the incremental cost of newer cleaner on-road and/or non-road diesel vehicles/equipment compared to?*

Answer: Incremental cost is the cost of the "cleaner, greener" portion of the vehicle or equipment, defined in the RFP as up to 25% of the cost of the newer, cleaner vehicle or piece of equipment (50% in the case of dray trucks).

Date Posted: 1/11/2011

Program: N

Question D.3: *How many applications were received in last round of funding, and of those, how many were awarded?*

Answer: FY 2009 and FY 2010 were combined into a single competition. For the National Clean Diesel Funding Assistance Program, \$64M was available: 358 applications were received nationwide and of those applications, 327 were eligible. 71 grants were awarded.

Date Posted: 11/12/2010 Program: N

Question D.4: *On pg. 30, #2 -- Please further clarify how subawardees/subgrantees will be considered during the evaluation process.*

Answer: In order for EPA to consider qualifications, experience, or expertise of named subawardees/subgrantees, the applicant must demonstrate that a subaward is the appropriate vehicle to award funding to the third party (as opposed to a contract, which would require competitive bidding). The applicant should include information in the application about named subawardees/subgrantees, if applicable.

Date Posted: 11/19/2010 Program: N

Question D.5: *On a previous occasion, I piggy-backed a project an eligible entity and applied for project funding in that fashion. Could this option be used again for this round of DERA funds?*

Answer: Yes, if you mean that a private entity can partner with an eligible entity. The eligible entity would be responsible for the grant, and would enter into the formal grant agreement with EPA.

Date Posted: 11/19/2010 Program: N

Question D.6: *How can applicants access the Helpline and additional information?*

Answer: The Helpline can be accessed via email at CleanDiesel@epa.gov or by calling 1-877-NCDC-FACTS.

Date Posted: 11/19/2010 Program: N, E

Question D.7: *What defines a distinct "type" of proposal if a project can combine different fleet makeup?*

Answer: Applicants may submit up to two proposals to the same EPA regional office as long as each proposal is for a separate and distinct project and each proposal is submitted separately. A single proposal may target multiple fleets, fleet types and/or diesel emission reduction solutions. Dividing a single large fleet into two for the purposes of submitting two proposals is not permitted.

Date Posted: 11/19/2010 Program: N

Question D.8: *Does the DEQ include zero-emission vehicles as an alternative?*

Answer: No. The applicant should use other methods to calculate the emissions reduction and cost-effectiveness.

Date Posted: 11/19/2010 Program: N

Question D.9: *Can this funding be tied in with other State funding for bus replacement?*

Answer: Yes, but Federal grant dollars cannot be used for a cost-share match.

Date Posted: 11/19/2010 Program: N

Question D.10: *Electronic submissions by 4pm EST, that would mean folks on West Coast should submit electronically by 1pm (Pacific Time) on January 13th?*

Answer: In EPA Regions 9 and 10 (the west coast), all proposal packages must be received by Thursday, January 13, 2011, 4:00 p.m PST for electronic email and/or hard copy submission. If submitting via grants.gov, the proposal must be submitted no later than Thursday, January 13, 2011, 4:00 p.m. EST.

Date Posted: 11/19/2010 Program: N

Question D.11: *If you submit an application for a project using a verified technology and an application for a project with an emerging technology, will your projects compete against each other?*

Answer: No, the Emerging Technology project will be under a separate RFP (see <http://www.epa.gov/otaq/diesel/prgemerg.htm>)

Date Posted: 11/19/2010 Program: N

Question D.12: *In the DEQ, if I am purchasing a natural gas truck to replace an old diesel truck, is the base cost of truck the install or unit cost?*

Answer: The base cost of the truck would be the unit cost.

Date Posted: 11/19/2010 Program: N

Question D.13: *Leveraged dollars = putting in private/public CNG station, applying for new CNG trucks/buses, but other vehicles will use station and it help the project succeed as well as create other emissions reductions, they just won't be diesel emissions reductions. Can they count as leveraged dollars and emissions?*

Answer: The expected emissions reductions should be calculated for the projects to be funded under this announcement only. For a definition of leveraged funds, please refer to Section III.B.3 of the RFP. Please note that no funds awarded under this RFP shall be used for fueling infrastructure.

Date Posted: 11/19/2010 Program: N

Question D.14: *Could you clarify the maximum number of proposals an eligible applicant can submit? One project we are planning involves several fleets in one specific county; could we also include another fleet with similar makeup in another county in the same state? Or would they also have to be two separate projects?*

Answer: There is a limit of two proposals per applicant, per Region. The projects you describe could be combined into one proposal.

Date Posted: 11/19/2010 Program: N

Question D.15: *Can a subcontractor, contracted by a state agency to provide TSE, submit an application on behalf of the state agency?*

Answer: A contractor may help an eligible entity prepare an application, but the applicant needs to be an eligible entity under the criteria outlined in the RFP.

Date Posted: 11/19/2010 Program: N

Question D.16: *Could we use federal funding (i.e. appropriations funding, ARRA) to lower the cost share?*

Answer: No, other federal grants may not be used as cost-share under this RFP.

Date Posted: 11/19/2010 Program: N, E

Question D.17: *In the 2011 DERA funding, is there a state portion of the program as previously?*

Answer: Yes, funding will be made available for State Clean Diesel program grants.

Date Posted: 11/19/2010 Program: N

Question D.18: *Are past recipients listed anywhere?*

Answer: Yes, past recipients can be found at our website under past projects at <http://www.epa.gov/otaq/diesel/projects.htm>.

Date Posted: 11/19/2010 Program: N, E

Question D.19: *If a DERA grant is awarded, can a private fleet company apply for any state or federal incentives, in addition to the DERA funds, for the same project?*

Answer: Yes, but no other Federal funds can be used as matching funds for this grant.

Date Posted: 11/19/2010 Program: N, E

Question D.20: *Can you please advise why the replacement funding for school bus was reduced from 50% to 25%?*

Answer: Policy decisions regarding RFP specifics are made by EPA, and are based on a multitude of factors and considerations. In this case, EPA funded the very cleanest school buses meeting MY 2010 standards up to 50% as an incentive in those years leading up to 2010. Now that it is 2010 and MY 2010 standards are required for on-highway engines, that incentive is no longer needed.

Date Posted: 11/19/2010 Program: N

Question D.21: *Is there going to be a separate Clean School Bus RFP or should a school district apply under this one?*

Answer: There will not be a separate school bus RFP, but school buses are eligible under this RFP.

Date Posted: 11/19/2010 Program: N

Question D.22: *What if a company's equipment operates in multiple non-attainment zones; do we use the zone with the majority of the operation time?*

Answer: Yes.

Date Posted: 11/19/2010 Program: N

Question D.23: *Will there be a webinar specific to the Emerging Technologies (ET) program after the status of that program is announced?*

Answer: We will have a webinar for the Emerging Technologies Grant Program on November 30, 2010 at 3 pm EST. The registration link will be listed on our website

Date Posted: 11/19/2010 Program: E

Question D.24: *Will the PowerPoint presentation from the webinar be emailed to participants or be made available online?*

Answer: The presentation will be made available on the website in the same section where you found the link to register for this webinar. Please see www.epa.gov/cleandiesel/grantfund.htm.

Date Posted: 11/19/2010 Program: N, E

Question D.25: *Is it possible to combine the requirements of multiple on-road fleets into one proposal in order to meet the minimum requirements and maximize the results of the improvements made?*

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

Date Posted: 11/19/2010 Program: N

Question D.26: *If a multi-region project can be divided into two distinct projects, one in each of two adjacent regions, can you submit those projects to each region and also indicate that the individual projects are part of a bigger multi-region project?*

Answer: Yes, but the projects would be evaluated separately.

Date Posted: 11/19/2010 Program: N

Question D.27: *Can a proposal include more than one region?*

Answer: Project location refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized. If your proposal's project location falls in more than one location, pick the Region where the majority of the emissions benefit will be realized. Note that the project location is not necessarily the location of the applicant's office.

Date Posted: 11/19/2010 Program: N

Question D.28: *Section III.B.1 states: "For repower and replacement projects, EPA encourages applicants to limit Federal portion of the equipment costs to the true incremental cost of the cleaner engine or vehicle/equipment." What is the true incremental cost of a cleaner engine, etc.?*

Answer: The incremental cost of the cleaner engine, vehicle, or equipment is the difference in cost between that of a traditional engine and that of the cleaner engine. The choice to limit the Federal portion of the equipment costs just to the incremental cost increases the cost-effectiveness of the project. Thus, this approach is encouraged by EPA, but is not required.

Date Posted: 11/19/2010 Program: N

Question D.29: *What is the total amount available per region?*

Answer: Please see RFP Section II.A for available funding in each region.

Date Posted: 11/19/2010 Program: N

N = National Clean Diesel Funding Assistance Program
E = Clean Diesel Emerging Technologies Funding Assistance Program
S = SmartWay Finance Program

Question D.30: *Will the Nov 9 & 10 information sessions on the National Clean Diesel Funding Assistance Program be available from your website after those dates (either session recording or posted presentation)? If so, could you let me know the URL.*

Answer: Yes, the information sessions will be posted at <http://www.epa.gov/cleandiesel/prgnational.htm>, and all new questions will be answered in the FAQ document.

Date Posted: 11/19/2010 Program: N

Question D.31: *Can you give me some perspective on how competitive smaller grant requests are in this grant funding cycle?*

Answer: The strength of your application will depend on how well it addresses the evaluation criteria laid out in the RFP, and not on the overall size of your project. The amount of funding requested from EPA must be within the range specified for your Region, as described in Section II.A. Visit our website for lists of our awarded grant projects: <http://www.epa.gov/otaq/diesel/projects.htm>.

Date Posted: 11/19/2010 Program: N

Question D.32: *How many proposals may be submitted by a single entity?*

Answer: An applicant with multiple separate projects may submit up to two proposals to any one region.

Date Posted: 11/19/2010 Program: N

Question D.33: *Should the directions to calculate cost effectiveness be to only include federal funds and mandatory cost share and leave voluntary cost share out of the equation?*

Answer: No. The cost-effectiveness calculation should include mandatory and/or voluntary cost share, and the associated vehicles or equipment funded with those amounts. Please refer to Appendix E.

Date Posted: 11/19/2010 Program: N

Question D.34: *What is the ratio of number of awards to total applications?*

Answer: Last year, EPA combined funding from Fiscal Year 2009 and Fiscal Year 2010, resulting in \$64 million in available funding. EPA received 358 applications, of which 327 were eligible. EPA awarded grant monies to 71 of those eligible applications.

Date Posted: 11/19/2010 Program: N

Question D.35: *Referring to the project evaluation criteria on page 9, section IC, G i-iii; will a proposed project be eliminated if all three items are not addressed or are scores weighted based on how many of the three items are met and how well they are met?*

Answer: No, a project will not be eliminated if all three items are not addressed, but will be considered in the evaluation process.

Date Posted: 11/24/2010 Program: N

Question D.36: *Regarding the community involvement criteria on page 9, item G iii, can we meet the community requirement because we work with cities to identify neighborhoods/neighborhood organizations with significant diesel traffic or do we need to work directly with AC Transit-specific community groups?*

Answer: EPA will look for evidence that you actively partnered with community leaders and/or organizations in disproportionately affected areas (as described in subsection V.A.3.c).

Date Posted: 11/24/2010 Program: N

Question D.37: *Can we request a copy of a submitted proposal for previous awarded projects?*

Answer: No previous proposals will be distributed, as they contain confidential business information. We do, however, have a list that includes a short description of previously awarded projects on our website, at <http://www.epa.gov/otaq/diesel/projects.htm>.

Date Posted: 11/24/2010 Program: N, E

Question D.38: *Will the sensitive business information in my application remain confidential? How do I know someone won't steal my idea?*

Answer: In accordance with 40 CFR 2.203, applicants may claim all or a portion of their proposal package as confidential business information. EPA will evaluate confidentiality claims in accordance with 40 CFR Part 2. Applicants must clearly mark proposals or portions thereof that they claim as confidential. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c)(2) prior to disclosure. However, competitive proposals are considered confidential and protected from disclosure prior to the completion of the competitive selection process.

Date Posted: 11/24/2010 Program: N, E

Question D.39: *Can installation of infrastructure be considered match?*

Answer: No, the cost match cannot be for fueling infrastructure.

Date Posted: 11/24/2010 Program: N

Question D.40: *I have been informed that state restrictions prevent us from completing a Fleet Description per EPA's requirement without compromising our eligibility of the funding on a state level. How should we go about completing the necessary items*

Answer: Applicants need to include as much information as possible to describe the types of fleets that will be targeted in your project and technology you plan to use, but in some cases applicants may not know the specific vehicles that will be included. Please provide as much information possible (number of vehicles, technologies, etc.), as well as any other assumptions that can be made in order to determine the estimated emissions benefits of your project (e.g. information needed to run the Diesel Emissions Quantifier). The Applicant Fleet Description can be a helpful tool, but is only provided as a sample and other ways of describing your target fleet are allowed.

Date Posted: 11/24/2010

Program: N, E

Question D.41: *Are projects that have already started eligible for funding under this RFP?*

Answer: No. Any funding awarded under this announcement must be used for activities that 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.

Date Posted: 11/24/2010

Program: N, E

Question D.42: *Is there a competitive advantage to increase your voluntary cost share?*

Answer: Per the RFP, "While it is not required that an applicant provide a voluntary cost-share beyond EPA's funding and/or any mandatory cost-share as described above, applicants may provide a voluntary cost-share to enhance, expand, and improve the cost-effectiveness of the project." By improving the cost-effectiveness of a project, an applicant does increase its competitive advantage in that respect.

Date Posted: 12/1/2010

Program: N

Question D.43: *Section 21 of the required form SF 424 asks the applicant to agree to the "list of certifications" and "required assurances." Is there a separate list of certifications or description of required assurances associated with this grant application, other than those contained in the RFP?*

Answer: The certifications and assurances referenced on the SF 424 form will only be required if your proposal is selected for funding and you enter into a grant agreement with EPA (e.g. if you win the competition). They are not required at this stage in the competition. The full list of EPA Standard forms and certifications can be found at <http://www.epa.gov/ogd/forms/forms.htm>, but only the SF 424 and SF 424A forms are required with your proposal submission.

Date Posted: 12/1/2010

Program: N, E

Question D.44: *With regards to National Programmatic Priorities and Region 10's priorities and community involvement, what type of evidence is EPA looking for in terms of multi-stakeholder collaborative process and letters of commitment? Please provide examples of collaboration and commitments required.*

Answer: While there are many ways an applicant can address its collaboration with others, one example showing evidence of a multi-stakeholder collaborative process could be to submit letters from participating stakeholders, including community, nonprofit, and/or tribal organizations explaining how those organizations are working with the applicant and/or how the proposed project will address environmental concerns in their specific community.

Date Posted: 12/8/2010

Program: N

Question D.45: *Does "leveraged funding" increase the regional significance points that seem to be dedicated to "voluntary cost share" in EPA regions VI and VII under their regional significance criteria (RFP Section I.C.2.e.v.b.)?*

N = National Clean Diesel Funding Assistance Program

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Answer: For Regions 6 and 7, providing a voluntary cost-share may affect an applicant's evaluation under the Regional Significance criterion number 4 in Section V of this RFP. The type of cost share funds that will be given priority in Regions 6 and 7, per Section I.C.2.e.v.b, are Voluntary Cost Share funds as described in Section III.B.2.

Date Posted: 12/8/2010

Program: N

Question D.46: *How do I calculate the cost-effectiveness and health benefits of a project intending to apply an idle-reduction technology, if the Diesel Emissions Quantifier (DEQ) does not include options for the specific type of project I am proposing?*

Answer: The DEQ is a suggested tool for calculating cost-effectiveness and health benefits, but it cannot calculate emissions for every type of project so other methods are acceptable, as long as they are fully explained in the proposal. In general, project cost-effectiveness for idle-reduction technologies is based on the lifetime emissions reductions of the proposed project and the total project amount requested from EPA. Public health benefits can be described quantitatively using the DEQ, but may also be described qualitatively, as discussed in Appendix D.

Date Posted: 12/8/2010

Program: N

Question D.47: *Can you tell me if a specific organization is intending to apply for a grant under this RFP or has already submitted a proposal?*

Answer: No. Information about prospective applicants is not made public. However, a list of funded grant awards and announcements are published on NCDRC's website at the end of the competition.

Date Posted: 12/8/2010

Program: N

Question D.48: *Would it be possible to obtain a list of the applicants for these grants?*

Answer: While EPA cannot release information on grant proposals, it can provide information on previously funded projects. Please see the National Clean Diesel Projects website for more information (<http://www.epa.gov/otaq/diesel/projects.htm>). This website has information on different funding projects since 2000. The DERA projects began in 2008; applicants should also consider reviewing EPA SmartWay projects.

Date Posted: 12/8/2010

Program: E

Question D.49: *Do we submit our proposal through a state or federal agency?*

Answer: Completed applications are submitted to the corresponding EPA Region in which the project is taking place. For the National Clean Diesel Funding Assistance Program, please see Section IV.B of the RFP for instructions on how to submit your proposal.

Date Posted: 12/16/2010

Program: N

Question D.50: *How do we value the price of the vehicle being replaced? Is it the price paid when originally purchased or the current fair-market value?*

Answer: The value of the price of the vehicle being replaced is its current fair-market value. In order to apply to this RFP, you only need to know the value of the new vehicle, and EPA will pay the incremental cost of the newer, cleaner vehicle, up to 25 percent of the cost.

Date Posted: 12/16/2010

Program: N

Question D.51: *Is there any advantage to showing agency's personnel costs. If it is required, or advantageous to show these costs, would it also be advantageous to cost-share these expenses? Conversely, if there is already revenue to cover personnel, would it be "cleaner" (and advantageous) to ignore these costs and dedicate all grant funds applied for to the (contractual aspects of) the retrofit project?*

Answer: Applicant personnel costs towards the labor and equipment of the repower/retrofit are considered cash contributions to the Equipment Object Class (i.e., they are considered part of the cost-share). Conversely, applicant costs for project administration (Personnel Object Class) are not considered cash contributions to the Equipment Object Class, and therefore not considered part of the cost-share. Applicants may choose to pay for personnel costs associated with project administration, which may improve the project's overall cost-effectiveness if they are therefore able to retrofit a larger number of vehicles than a project whose project administration costs were funded with EPA money. Applicants may want to calculate their project's cost-effectiveness under multiple scenarios to see which provides a more advantageous result.

Date Posted: 12/16/2010

Program: N

Question D.52: *An eligible entity wants to propose a joint project of bundled DOCs and fuel-operated heaters (FOHs) on 10 buses, plus an additional 10 FOHs on 10 other buses. The bundled DOC+FOH package receives 100% funding and the FOHs requires a 50% match by the eligible entity. Would hourly labor for the DOC+FOH package (paid for by the applicant) be eligible to help meet the cost-share for the 50% required match of the FOHs? Additionally, if the entity is applying for an early school bus replacement, could they use the labor from the DOC+FOH package as a portion of the mandatory 75% match requirement for the new bus(es)?*

Answer: No. Labor provided as part of the DOC+FOH package installation can only be classified as a voluntary cost-share to that portion of the project.

The RFP requires that the applicant bear 50 percent and 75 percent of idle reduction technologies and vehicle replacements, respectively. Considering funds for the DOC+FOH installation as part of this cost-share would disproportionately increase EPA's contribution to idle reduction technologies and vehicle replacements beyond the limit specified in the RFP.

Date Posted: 12/16/2010

Program: N

Question D.53: *Our organization has a copy of the SF424A form from another federal agency in Microsoft Excel format. It contains exactly the same fields, formats and information as the .PDF provided by EPA. Is it acceptable to submit the SF424A in Excel, or in a pdf created from Excel?*

N = National Clean Diesel Funding Assistance Program

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S = SmartWay Finance Program

Answer: For electronic submissions, the format of the SF 424 and SF 424A forms must be a .pdf, complete with all required signatures and information. So long as it is complete and is a .pdf, the original format of the file does not matter.

Date Posted: 1/3/2011

Program: N, E, S

Question D.54: *How can we quantify diesels that are being replaced with all electric or hybrid electric with the DEQ?*

Answer: Hybrid emissions should be quantified using the "Hybrid" option under the "Technology Type" section of the DEQ. For the emissions savings from a fully electric vehicle (i.e. emissionless), you can use the "before" emissions of the replaced vehicle to quantify the total emissions reductions.

Date Posted: 1/3/2011

Program: N, S

Question D.55: *Do trucks need to be licensed, registered, or tagged in the state receiving EPA grant funds to be eligible to receive grant funds through the state?*

Do companies need to be domiciled in the state receiving EPA grant funds to be eligible to receive grant funds through the state?

Answer: For the National Clean Diesel Assistance Program, trucks do not need to be licensed, registered or tagged in the state where the project is taking place, nor do companies need to be domiciled in the state. Funding under this RFP is from EPA and not the state (unless a state sets up a sub-grant program in which case, the sub-grant program may have different eligibility requirements). Additionally, private companies are not eligible entities under the National program.

Date Posted: 1/3/2011

Program: N

Question D.56: *Last year, we submitted EPA Forms 5700-53 and 5700-54 along with our proposal. I don't see a reference to these forms in the RFP. Can you confirm that these forms are not required?*

Answer: All of the forms required to be included with your proposal are listed in Appendix F of the RFP. EPA Forms 5700-53 and 5700-54 are not required at this time.

Date Posted: 1/3/2011

Program: N, E, S

Question D.57: *Is it permissible to submit proposals to both the 2011 National Clean Diesel Funding Assistance Program and the 2011 SmartWay Finance Program?*

Answer: Yes, assuming your projects fit the requirements of the respective funding programs, you may submit simultaneous applications.

Date Posted: 1/11/2011

Program: N, S

Question D.58: *We have seen two closing dates for the grant -- 1/13 is listed in the RFP narrative and 1/27 is listed on the 11/17/2010 Modification. Which one is correct?*

Answer: The RFP for the National Funding Assistance Program closes on January 13, 2011. The RFP for the Emerging Technologies Program closes on

January 27, 2011.

Date Posted: 1/11/2011

Program: N, E

Question D.59: *It appears that one of the criteria used in deciding awards in Region 4 is how effectively a project addresses the freight movement needs of Environmental Justice communities as outlined in the November 2009 National Environmental Justice Advisory Council report titled 'Reducing Air Emissions Associated With Goods Movement: Working Towards Environmental Justice.' Would a project involving retrofitting or replacing refuse haulers count towards this criterion?*

Answer: Waste haulers are for transporting municipal solid waste (MSW) only, not for freight or goods. We would categorize them as an eligible public fleet for our diesel purposes under the RFP, but they would not be a Region 4 regional priority for (i)(a) Green corridors or (iii) Freight movement and EJ. They could be a Region 4 regional priority if they operated at (i)(b) an Airport or Water port collecting MSW or (ii) used alternative fuels.

Date Posted: 1/11/2011

Program: N

Question D.60: *What is EPA's definition of an "Affected Area," as used in the RFP for the National Clean Diesel Funding?*

Answer: "Affected Area" refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized.

Date Posted: 1/11/2011

Program: N

Question D.61: *Can you clarify what is meant by Environmental Justice area as noted on page 41 of the RFP? Has EPA designated areas as environmental justice areas or is this a more general term referring to areas where disproportionate pollution exposure exists?*

Answer: On page 41, we request basic information about each project. If you feel your project is located in an area of disproportionate pollution exposure, please answer 'yes' for the Environmental Justice question. Environmental justice is a general term referring to areas where disproportionate pollution may exist.

Date Posted: 1/11/2011

Program: N

Question D.62: *Can an association representing dray truckers submit a cost share commitment letter on behalf of a large pool of individual owner operator dray truckers?*

Answer: Yes. Please note that if applicants commit within a grant award to mandatory or voluntary cost share amounts, they must meet their sharing commitment as a legal condition of receiving EPA funding.

Date Posted: 1/11/2011

Program: N, E

Question D.63: *How much detail should cost share commitment letters include? For example, should they include the cost share dollar amount used in the grant application, even though the cost share commitment may change after grant award and procurement?*

N = National Clean Diesel Funding Assistance Program
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Answer: The cost share letter of commitment should include language demonstrating the cost-sharing entity's specific commitment to meet the proposed cost-share, either by including a percentage of the project costs that will be provided, or a specific dollar amount.

Date Posted: 1/11/2011 Program: N, E

Question D.64: *I'm interested in learning more about the SmartWay Finance Program. In particular, I'd like to get some information on the application history for the ARRA and FY 2009-2010 competitions.*

Answer: ARRA
Applicants: 17
Total Funds Requested: \$165 million
Total Funds Awarded: \$30 million

FY 2009-2010
Applicants: 9
Total Funds Requested: \$39 million
Total Funds Awarded: \$13.5 million

Date Posted: 1/19/2011 Program: S

E. Project Administration

i. Competitive Procurement Requirements

Question Ei.1: *Is there a way that an eligible entity can preselect an equipment supplier for a retrofit program?*

Answer: If the eligible entity chooses to select an equipment supplier through a competitive process that meets the requirement of 40 CFR Parts 30 or 31, as applicable, prior to submitting its application then the entity would not have to recompetete the work if its project was selected. For example, a school system wants to retrofit all of its school buses with diesel particulate filters but is unsure of the details needed to develop a winning proposal. They could select a supplier through a competitive process and then coordinate with the selected supplier to develop a proposal. Please see Section IV (G) of the RFP for more information.

Date Posted: 11/1/2010 Program: N

Question Ei.2: *After the award or selection, are competitive bids required?*

Answer: Yes. 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 40 CFR Parts 30 or 31, as appropriate. Applicants are not required to identify specific vendors and/or contractors in their proposal. Applicants need only to list the proposed types and number of technologies to be purchased if the project is selected for funding. If a proposed project is selected for funding, the recipient then puts out a competitive solicitation for vendors of verified technologies that can meet the needs of the recipient. All retrofit technologies purchased with grant funds under this program must be verified by EPA or CARB at the time of procurement.

Date Posted: 11/19/2010 Program: N

Question Ei.3: *How are competitive bids advertised for RFQs?*

Answer: Contractors and consultants must be selected in compliance with the competitive Procurement Standards in 40 CFR Part 30 or 40 CFR 31.36, as appropriate, depending on the type of applicant.

Date Posted: 11/19/2010 Program: N

Question Ei.4: *Are competitive bids required from multiple suppliers once a bid has been awarded?*

Answer: You must compete for suppliers of technologies, either prior to proposal selection or after the grant is awarded. Please see Section IV.G. for more information.

Date Posted: 11/19/2010 Program: N

Question Ei.5: *Do you have to have a competitive bid if there is only one supplier for the product or service in your area?*

Answer: Yes, competitive bids are required for all commercially available goods and services. In rare cases, sole sourcing is permitted, with proper justification.

Date Posted: 11/19/2010 Program: N

Question Ei.6: *How do the competitive procurement requirements apply to the purchase of used 2007 MY drayage trucks to replace older drayage trucks? If we are applying for a number of replacement trucks for independent owner/operators, each of whom favor a different truck/engine make and model, it is not clear how we would meet this requirement.*

Answer: Competitive procurement requirements apply to all DERA grants. Grantees may set parameters in order to obtain the type of vehicle necessary for the job, but all procurement must undergo a competitive process per federal grant rules. Please refer to Section IV.G. of the RFP for additional information.

Date Posted: 1/11/2011 Program: N

Question Ei.7: *Would a not-for-profit entity need to compete for a subcontract from a grantee, just as a for-profit entity would?*

Answer: Yes, Applicants must compete contracts for services and products, including consultant contracts, and conduct cost and price analyses, to the extent required by the procurement provisions of the regulations at 40 CFR Parts 30 or 31, as appropriate.

Date Posted: 1/19/2011 Program: E

ii. General

Question Eii.1: *In relation to program income, can you clarify what the specific requirements are for usage of earned income during the period of performance?*

Answer: Program income does not have to be accounted for in the budget at the time of application. If program income is generated during the course of the project, program income requirements apply. Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. "During the grant period" is the time between the effective date of the award and the ending date of the award reflected in the final financial report. Program income earned during the project period shall be retained by the recipient and, in accordance with 40 CFR Parts 31.25 and 30.24 and the terms and conditions of the award, shall be used in one or more of the following ways:

(1) Added to funds committed to the project by EPA and recipient and used to further eligible project or program objectives. The program income shall be used for the purposes and under the conditions of the grant agreement.

(2) Used to finance the non-Federal share of the project or program, including any mandatory or voluntary cost-share. The amount of the Federal grant award remains the same.

(3) Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based. This means that the recipient shall spend program income on project activities before spending/requesting federal funds for project activities. This may result in unspent federal funds at the end of the project period.

Date Posted: 11/1/2010

Program: N

Question Eii.2: *Are administrative costs associated with these applications covered as part of the technology costs? Should administration for a project with a number of disparate technologies be identified as a separate task, and if so is it eligible for funding? What would be the required match percentage?*

Answer: Under the National Clean Diesel Funding Assistance Program, there is no limit on administrative costs. Funds may be requested for project administration costs under budget object class categories such as Personnel. The cost-share is based on the project as outlined in Section III of the RFP, and a sample budget is provided in Appendix B. Please note that administrative costs may affect the cost-effectiveness of your project.

Date Posted: 11/12/2010

Program: N

Question Eii.3: *Is data logging required?*

Answer: The RFP does not require data-logging as part of the project proposal. However, it is STRONGLY recommended that the verified technology manufacturer conducts data-logging on the target fleet prior to installation to make sure that the technology is suitable for those engines. The grantee is

responsible for making sure that technology manufacturers install correct technologies on suitable engines. Only technologies that have EPA or ARB verification/certification at the close of the RFP will be eligible for use in the grant projects. The verification criteria for each technology must be followed in accordance with EPA requirements. Data-logging may or may not be required as part of the verification/certification process and depends on the technology in question. For more information on verification, see <http://www.epa.gov/otaq/retrofit/index.htm>.

Date Posted: 11/19/2010 Program: N

Question Eii.4: *Could a vehicle be sold to an entity outside the US instead of scrapping it?*

Answer: No. The program requires that a vehicle either be scrapped or remanufactured to the next EPA standards. You can return it to the manufacturer for them to do the remanufacturing, but the replaced vehicle must be either scrapped or remanufactured to the next EPA standards.

Date Posted: 11/19/2010 Program: N

Question Eii.5: *What commitments does an applicant have to make about his equipment if applying for a grant for emission retrofit equipment, (DOC, DPF, etc.). For example, is an applicant required to keep the equipment for certain period of time?*

Answer: There are no specific requirements for the time retrofitted equipment must remain in use. However, programmatic priority is for projects that include a verified technology that has a long expected useful life, and projects that maximize the useful life of any verified technology funded. In addition, the final grant agreement will include a Term and Condition that will specify the terms for equipment use, management and disposition.

Date Posted: 11/19/2010 Program: N

Question Eii.6: *New York Schools get state aid for replacing buses. If the engine must be scrapped and you take away the availability to trade in a bus for its value, a school district in NY will actually lose money by buying a newer emissions vehicle. Is there any way to remove this disadvantage of scrapping a bus?*

Answer: The engine may be returned to the original engine manufacturer for remanufacturing to a certified cleaner emission standard. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g. plow blades, shovels, seats, tires, etc.). If scrapped or salvaged vehicles/parts are to be sold, program income requirements apply.

Date Posted: 11/19/2010 Program: N

Question Eii.7: *Is cost sharing required?*

Answer: Projects involving Engine Upgrades, Verified Idle Reduction Technologies, Verified Aerodynamic Technologies and Low Rolling Resistance Tires, Certified Engine Repowers, or Certified Vehicle/Equipment Replacements, as defined in Sections I.D.2.a, b, c, d and e of the RFP, are subject to mandatory cost-share requirements.

Date Posted: 11/19/2010

Program: N

Question Eii.8: *How long is the reporting process to the EPA for the grant after receiving funding?*

Answer: Quarterly reports summarizing technical progress, planned activities for the next quarter and a summary of expenditures are required during the project period for the life of the grant. A final report shall be submitted to EPA within 90 calendar days of the completion of the grant. The schedule for submission of quarterly reports will be established by EPA, after the award. Award recipients may be provided with additional information and guidance on reporting performance measures and project progress after award.

Date Posted: 11/19/2010

Program: N

Question Eii.9: *In regards to the replacement of new equipment, after the life of the equipment and reporting process, is there a percentage we need to give back to the EPA if equipment is sold?*

Answer: Grant agreements will be subject to the use and management and disposition regulations at 40 CFR 30.34 and 31.32, as applicable. Equipment is defined as tangible non-expendable personal property having a useful life of more than one year and an acquisition cost and/or current market value of \$5,000 or more per unit. In some cases, the disposition terms can be included in the grant agreement.

Date Posted: 11/24/2010

Program: N

Question Eii.10: *Regarding cost sharing, if the project is for a equipment repower and subawardee puts up 25% cash match AND contributes the vintage equipment, would the value of the equipment be considered as an in-kind "voluntary" cost share or "other leveraged funding"?*

Answer: The replaced engine, which our assumption here is the 'vintage equipment', would have to be scrapped or remanufactured to a certified cleaner emission standard (higher tier). If it is then sold, the value of the sold equipment is considered Program Income.

Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. "During the grant period" is the time between the effective date of the award and the ending date of the award reflected in the final financial report. Program income earned during the project period shall be retained by the recipient and, in accordance with 40 CFR Parts 31.25 and 30.24 and the terms and conditions of the award, shall be used in one or more of the following ways: (1) Added to funds committed to the project by EPA and recipient and used to further eligible project or program objectives. The program income shall be used for the purposes and under the conditions of the grant agreement.

(2) Used to finance the non-Federal share of the project or program, including any mandatory or voluntary cost-share. The amount of the Federal grant award remains the same.

N = National Clean Diesel Funding Assistance Program

E = Clean Diesel Emerging Technologies Funding Assistance Program

S = SmartWay Finance Program

(3) Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based. This means that the recipient shall spend program income on project activities before spending/requesting federal funds for project activities. This may result in unspent federal funds at the end of the project period.

Date Posted: 11/24/2010 Program: N

Question Eii.11: *If a project is awarded the funds, when do the funds have to be used by?*

Answer: The estimated project period for awards resulting from this solicitation will begin on June 1, 2011, with an expected project completion date of May 30, 2013.

Date Posted: 11/24/2010 Program: N

Question Eii.12: *Will awards for fuels be funded on the same timeline as other projects?*

Answer: Yes, awards for fuels will be funded on the same timeline as other projects.

Date Posted: 12/8/2010 Program: N

Question Eii.13: *Is it possible to negotiate authorization for pre-award costs? For example, a city obligated funds to pay for the vehicles prior to the grant award, but will not actually pay out these funds until after the grant award is official.*

Answer: No, this is not an eligible use of funding. Any funding awarded under this announcement must be used for activities that take place within the approved project period.

Date Posted: 12/8/2010 Program: N

Question Eii.14: *A locomotive would need to be shipped to a locomotive manufacturer for a repower. Are the costs associated with transporting the locomotive to/from this manufacturer an eligible expense?*

Answer: Transportation of the locomotive to a manufacturer is not funded under EPA's 75 percent cost share amount of the grant. The grantee, however, may use their required 25 percent cost share funds to pay for the transportation needed to do the repower.

Date Posted: 12/16/2010 Program: N

Question Eii.15: *Can we apply for funds to supplement a previous and ongoing NCDC grant? Our current grant is for a project that loans the funds out to other entities.*

Answer: We have 3 separate RFPs open - the National Clean Diesel Funding Assistance Program, the Smartway Finance Program, and the Emerging Technologies Funding Program. You can apply for the National Clean Diesel Funding Assistance Program to supplement another grant that is already in progress, provided you use these funds as subgrants for eligible activities, and not for loans as in a revolving loan fund. If you are intending to apply for additional funds to increase the amount you have available to provide loans for eligible activities to sub-recipients, you can apply for that type of additional funding through the Smartway Finance Program RFP. For projects that use Emerging Technologies, you may apply to the

Emerging Technologies Funding Program to supplement a previous and ongoing project through that competition. All 3 RFPs are available on our website.

Date Posted: 1/3/2011

Program: N, E, S

Question Eii.16: *How will grant recipients receive the grant funds?*

Answer: Successful grant recipients can elect to use the Automated Standard Application for Payments (ASAP) system. ASAP is an automated drawdown system sponsored by the US Department of the Treasury. The recipient initiates via ASAP an electronic payment request which is approved or rejected based on the amount of available funds authorized by EPA in the recipient's account. Approved funds are credited to the recipient organization at the financial institution identified on the recipient's ASAP enrollment application. These funds can be used by the recipient to pay for valid invoices and other valid grant expenses.

Date Posted: 1/11/2011

Program: N, E, S

Question Eii.17: *If we are awarded funding but our city does not ultimately approve our project, can we simply not use the money awarded to us?*

Answer: If your project does not materialize, funding reverts back to EPA. Please note too that project evaluation criterion 5 (Past Performance, Programmatic Capability, Reporting on Results) considers your ability to bring the project to fruition. EPA is unlikely to award funding to projects it does not think will actually materialize.

Date Posted: 1/11/2011

Program: N

Question Eii.18: *Could you please define the term "life of the grant"?*

Answer: When EPA refers to the "life of the grant," it is referring to the project period of the grant which is established at the time of the award. A typical DERA grant project period is 2 years but may vary depending on individual project activities, and can be negotiated with the Region that awards the grant.

Date Posted: 1/11/2011

Program: N

New Question Eii.19: *The 2011 RFP has a change in focus, in comparison with past SmartWay program funding, to off-road over on-road. Why has EPA shifted this SmartWay RFP towards off-road? How many applications does EPA expect to receive exclusively for off-road versus on-road? What portion of the funding is expected to be dedicated to off-road versus on-road?*

Answer: Non-road projects have been eligible in prior RFPs for the SmartWay Finance Program. Because non-road equipment generally has a greater useful life than highway vehicles, EPA is especially interested in specific non-road projects targeted at ports or rail yards, marine engines, construction, handling of cargo, agriculture, mining or energy production. In addition, the majority of projects funded under the SmartWay Finance Program have been focused on on-road, heavy-duty trucks. Therefore, EPA will provide additional points for projects that focus on targeted non-road fleets as defined in Section V.5 (page 27).

N = National Clean Diesel Funding Assistance Program

E = Clean Diesel Emerging Technologies Funding Assistance Program

S = SmartWay Finance Program

EPA cannot predict the number of non-road specific applicants. Award funds are not reserved for specific types of projects. Project funding for the SmartWay Finance Program will be determined based upon the availability of funds, the quality of evaluated proposals, and other applicable considerations. Please see Section II.A & B (page 15) for further information.

Date Posted:

Program: S

F. Tribal

Question F.1: *How will tribal proposals be evaluated?*

Answer: Tribal applicants must submit their proposals to the EPA Office of Transportation and Air Quality (OTAQ) contact identified in Section IV.B.1.a of this RFP, regardless of geographic location of the project. Tribal proposals will be reviewed by an EPA review panel. Proposals will first be evaluated against the threshold factors listed in Section III.C of this RFP. Only those tribal proposals which meet all of the threshold factors will be evaluated against other tribal proposals using the evaluation criteria listed above. Each proposal will be given a numerical score and will be rank-ordered according to the numerical score against the other tribal proposals evaluated by the review panel. Preliminary funding recommendations will be provided to the EPA Approving Official based on this ranking.

Date Posted: 11/1/2010

Program: N

Question F.2: *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: 11/1/2010

Program: N

Question F.3: *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. Tribal applicants must submit their proposals to the EPA Office of Transportation and Air Quality (OTAQ) contact identified in Section IV.B.1.a of the RFP, regardless of geographic project location. In other words, 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: 11/1/2010

Program: N

Question F.4: *Under this RFP, could the purchase of a fuel truck for a small tribal fuel business in an Indian community of 300 be eligible to receive funding?*

Answer: Only proposals from eligible tribal agencies or intertribal consortia requesting EPA funding between \$30,000 and \$1,000,000 will be considered for eligible projects. The purchase of new vehicles or equipment

to expand a fleet is not covered by this program. Purchasing a new truck to replace an old diesel truck would only be eligible if it was an early replacement. Vehicle 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 generally defined as a replacement or repower that is scheduled to take place between now and the end of the project period. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 11/12/2010 Program: N

Question F.5: *How do the Alaskan Tribes fit into the RFP and air quality jurisdictions?*

Answer: For the purposes of this RFP, Alaskan Tribes should apply to the Tribal portion of this competition.

Date Posted: 11/24/2010 Program: N

Question F.6: *Is this a recurring competition?*

Answer: The statute for the Tribal program is through 2011. Congress may choose to reauthorize the program through some future date.

Date Posted: 11/24/2010 Program: N

Question F.7: *Would an application be accepted from an intertribal consortium applying on behalf of a local city (which owns the electric utility) and working with a local tribal council?*

Answer: Yes. Per the RFP, intertribal consortia are eligible to apply for funding under this RFP and should apply using the instructions for Tribes.

Date Posted: 1/11/2011 Program: N

Question F.8: *One project would be to purchase a cleaner engine and another project would be applying to install heat recovery to reduce the amount of heating oil brought into these remote sites. Based on this portion of the funding making 5-10 awards, should these projects be packaged together, or each site applied for separately?*

Answer: Eligible projects can be combined if administered by the same entity, but heat recovery is not an eligible use of funding under this RFP.

Date Posted: 1/11/2011 Program: N