***2022 Diesel Emission Reduction Act Tribal and Insular Area Grants***

***Request for Applications***

***Project Narrative Sample Format***

***RFA#: EPA-OAR-OTAQ-22-03***

***Instructions:*** *The project narrative must substantially comply with the specific instructions, format and content defined in Section IV.E and Appendix B of the RFA.*

*The project narrative (including the cover page) must not exceed a maximum of fourteen (14) single-spaced pages in length. Pages refer to one-side of a single-spaced typed page. Font size should be no smaller than 10 and the application must be formatted for 8 ½” x 11" paper.*

***Pages more than the 14-page limit will not be considered.***

*All content italicized in brackets [] may be deleted to conserve space.*

***Please delete this instruction page from your final project narrative.***

**ENVIRONMENTAL PROTECTION AGENCY (EPA)**

**2022 Diesel Emission Reduction Act Tribal and Insular Area Grants**

**Request for Applications (RFA)**

**EPA-OAR-OTAQ-22-03**

|  |  |
| --- | --- |
| **EPA Region** | [*Specify the EPA Regional Office from which you are requesting funds. See Sections I.B.3.a. and b, II.A., and IV.A for additional information.]*  Choose an item. |
| **Project Title** |  |
| **Applicant Information** | Applicant Name:  Address (Street, City, State, Zip):  Office Phone and Fax Numbers:  Contact Name, Email address and Website (if applicable): |
| **Entity Eligibility** | [*Using the criteria outlined under Section III.A. of this RFA, please check the box(es) below that represent the applicant entity to confirm eligibility.]*  Tribal government (or intertribal consortium) which has jurisdiction over transportation or air quality OR  Alaska Native Village which has jurisdiction over transportation or air quality OR  Insular area government agency which has jurisdiction over transportation or air quality |
| **Budget Summary** | |  |  |  | | --- | --- | --- | | EPA Funding  **[A]** | Voluntary Cost Share  **[B]** | Total Project Cost  **[A+B=C]** | | **$** | **$** | **$** | |
| **Primary**  **Project Location** | *[Briefly describe the area(s) where the affected vehicles or engines operate. Primary project locations (County, State, City, and Zip Code) listed in Section 2 should be included here.]* |
| **Short Project Description** | *[Briefly describe your project using the sector(s) and corresponding target fleet type(s). Include the number of affected vehicles/equipment and the type of emission upgrade(s). Example descriptions: 1) ~ School Bus: Retrofit 40 class 6 school buses with DPFs; 2) Freight: Install DPFs and bunk heaters on 20 Class 8 long-haul trucks; 3) Port: Replace engines in 2 ship to shore gantry cranes with electric power.]* |
| **Project Sector(s)** | |  | | --- | | *[Please use the list below to select one or more appropriate project sectors.]*  Primary Sector:  Secondary Sector, as appropriate:  Other Sector, as appropriate: | |
| **Target Fleet(s)** | |  | | --- | | *[Please use the list below to select one or more target fleet sectors.]*  Primary Target Fleet:  Secondary Target Fleet, as appropriate:  Other Target Fleet, as appropriate: | |

|  |  |  |
| --- | --- | --- |
| **Sectors** | **Target Fleets** | **Target Fleets (continued)** |
| Agriculture | Aerial Lift | Off-Highway Tractor |
| Airport | Agricultural Mower | Off-Highway Truck |
| Construction | Agricultural Tractor | Other Agricultural Equipment |
| Freight (non-port goods movement) | Airport Support Equipment | Other Construction Equipment |
| Industrial (non-port material handling, other) | Backhoe Loader | Other General Industrial Equipment |
| Mining | Baler/Combine/Swather | Other Material Handling Equipment |
| Municipal (emergency, utility) | Bore/Drill Rig | Passenger Locomotive |
| Port | Cement & Mortar Mixer | Paving/Surfacing Equipment |
| Railyard | Concrete/Industrial Saw | Plate Compactor |
| School Bus | Container Handling Equipment | Railcar Mover |
| Stationary | Crane | Refuse Hauler |
| Transit (non-port) | Crawler Dozer/Loader | Rough Terrain Forklift |
|  | Crushing/Proc. Equipment | Rubber Tire Dozer/Loader |
|  | Dumpsters/Tender | School Bus |
|  | Excavator | Short Haul – Combination |
|  | Forklift | Short Haul – Single Unit |
|  | Gantry Crane | Signal Board |
|  | Line Haul Locomotive | Skid Steer Loader |
|  | Line Haul Locomotive as Switch | Stationary Air Compressor |
|  | Logging Equip Fell/Bunch/Skidder | Stationary Gas Compressor |
|  | Long Haul – Combination | Stationary Generator |
|  | Long Haul – Single Unit | Stationary Irrigation Set |
|  | Marine – Auxiliary | Stationary Pump |
|  | Marine – Propulsion | Stationary Welder |
|  | Mining Equipment | Sweeper/Scrubber |
|  | Mobile Air Compressor | Switch Locomotive |
|  | Mobile Gas Compressor | Tamper/Rammer |
|  | Mobile Generator | Terminal Tractor |
|  | Mobile Irrigation Set | Transit Bus |
|  | Mobile Pump | Transport Refrigeration Unit |
|  | Mobile Welder | Trencher |

##### Workplan [Applicants must ensure that the workplan addresses the evaluation criteria in Section V.A. of the RFA.]

Applicants should ensure that the workplan addresses the evaluation criteria in Section V.A. of this announcement by using the section numbers and headings and subsection numbers and headings below which correspond with the evaluation criteria in Section V.A. of the RFA.

**Section 1. Project Summary and Approach (25 points)**

This section of the workplan should contain a detailed project summary, including the following information:

1. **(10 points)** **Project Summary**
   * A discussion of how the applicant has considered the available/eligible technology options for the target fleet and has arrived at the chosen diesel emissions reduction solution(s).
   * A summary of the vehicles, engines and/or equipment targeted for emissions reductions and all verified and/or certified technologies to be funded by the applicant.
   * Applicants proposing nonroad, locomotive, or marine replacements should commit to using Tier 4 vehicles, equipment, or engines if Tier 4 vehicles, equipment, or engines with the appropriate physical and performance characteristics are available, as described in Section I.B. Applicants anticipating the use of lower tiered vehicles, equipment, or engines should discuss their rationale for proposing lower tiered replacements.
   * Applications which include locomotives and/or marine engines and/or stationary engines should include a clear and concise justification for why/how the proposed emissions reductions are not subject to the restriction for mandated measures under this RFA, as described in Section III.D.21. and **Appendix D**.
2. **(15 points) Project Implementation**
   * A discussion of the roles and responsibilities of the Applicant organization and any other project partners, including subrecipients, beneficiaries, and/or contractors. Applicants should discuss whether they will directly implement the project or fund project partners through subgrants and/or rebates as described in Appendix E.
   * Applicants should discuss whom or what organization(s) will retain ownership of any vehicles, engines and/or equipment purchased with funding from this project.
   * Applications which include engine replacements and vehicle/equipment replacements should include the applicant’s plans for engine/vehicle/equipment scrappage.

**Vehicles and Technologies Checklist:**

Applicants should fill out and include the table below

|  |  |  |
| --- | --- | --- |
|  | Question | Yes, No, or N/A |
| 1 | Does each vehicle, engine and/or equipment targeted for emissions reductions meet the project eligibility factors listed in Section I.B? |  |
| 2 | Does each vehicle, engine and/or equipment targeted for emissions reductions meet usage requirements listed in Section I.B? |  |
| 3 | Does each vehicle, engine and/or equipment targeted for emissions reductions meet ownership requirements listed in Section I.B? |  |
| 4 | Does each vehicle, engine and/or equipment targeted for emissions reductions meet the remaining life requirements of at least 2 years listed in Section I.B? |  |
| 5 | Does the workplan include a scrappage plan? |  |
| 6 | For all locomotive, marine, or stationary generator projects, does the workplan address mandated measures? |  |

**Section 2. Project Location (5 points)**

This section of the workplan should include a detailed discussion of the project location and include the following table. The term “project location” as used in this RFA refers to the area(s) where the affected vehicles or engines operate. If a single application includes vehicles operating in more than one area, this section of the work plan should indicate where the vehicles operate and the annual percentage (%) of time the vehicles typically operate in each area. A list of priority areas that will receive points under Section V.A., Criterion 2 of this RFA can be found in **Appendix E** or at [www.epa.gov/dera/tribal-insulararea](https://www.epa.gov/dera/tribal-insulararea).

|  |  |  |  |
| --- | --- | --- | --- |
| Fleet, Type and Number of Vehicles | County, State, City, and Zip Code | Annual % Time Vehicles Operate at Location | Non-Attainment Area |
|  |  |  | Y/N |
|  |  |  | Y/N |
|  |  |  | Y/N |
|  |  |  | Y/N |

* *Fleet, Type and Number of Affected Vehicles: Enter the name of the fleet (if applicable), the type, and number of affected vehicles that operate within listed project location.*
* *Place(s) of performance should include a county, state, city, and ZIP code.*
* *The PRIMARY place of performance should be entered in the first row of the table and indicate the location where the majority of the affected vehicles operate, or where the affected vehicles operate a majority of the time. For port projects, primary place of performance will most likely be the port’s address.*
* *Secondary and any other place(s) of performance should also be listed in the table in additional rows below the primary place of performance.*
* *% of Time Vehicles Operate in Area/Location: Enter the estimated percentage of time the affected vehicles operated within the listed project location.*
* *Nonattainment Area: For each listed project location, indicate with an Y (Yes) or N (No) if the location is an area of poor air quality, as described in Section I.B.*

**Section 3. Environmental Justice and Underserved Communities (15 points)**

This section of the workplan should include a detailed discussion of how the proposed project will promote environmental justice, as described in Section I.B. of the RFA. Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

Applicants should describe how the project will effectively address the disproportionate and adverse cumulative impacts (human health, environmental, climate-related and others) that have affected and/or currently affect people/communities of color, low income, tribal, and indigenous populations, and if applicable other vulnerable populations such as the elderly, children, and those with pre-existing medical conditions. Adverse impacts may be the result of industrial, governmental, commercial and/or other actions and include the accompanying economic challenges of such impacts.

As applicable, applicants should demonstrate how the project benefits these communities and/or populations including those in the communities/populations that have experienced a lack of resources or other impediments to addressing the adverse impacts described above. Additionally, applicants should describe the extent to which the project addresses engagement with these communities and/or populations, especially local residents, to ensure their meaningful participation with respect to the design, planning, and performance ofthe project.

NOTE: Disproportionate and adverse environmental, human health, climate-related and other cumulative impacts, as well the accompanying economic challenges of such impacts, may result when greater pollution burdens or consequences, and the impact of them, are more likely to affect underserved communities. The impacts may result from various factors including but not limited to being a function of historical trends and policy decisions.

Factors that may indicate disproportionate and adverse impacts as referenced above include:

* Differential proximity and exposure to environmental hazards;
* Greater susceptibility to adverse effects from environmental hazards (due to genetic predisposition, age, chronic medical conditions, lack of health care access, or poor nutrition);
* Unique environmental exposures because of practices linked to cultural background or socioeconomic status (e.g., subsistence fishing or farming);
* Cumulative effects from multiple stressors;
* Reduced ability to effectively participate in decision-making processes due to language barriers, inability to access traditional communication channels, or limited capacity to access technical and legal resources; and
* Degraded physical infrastructure, such as poor housing, poorly maintained public buildings (e.g., schools), or lack of access to transportation.

Applicants are encouraged, as appropriate, to include data from EPA’s [EJSCREEN](https://www.epa.gov/ejscreen) tool (or other EJ-focused geospatial mapping tools) as partof their application to help characterize and describe the affected communities/populations and area(s). Data from other sources (e.g., studies, census, and third-party reports) should also be included to give a more complete picture of the impacted communities and populations. Instructions, resources, and tutorials on how to use EJSCREEN are included at the hyperlink above.

**Section 4. Project Sustainability (5 points)**

This section of the workplan should include a detailed discussion of the applicant’s and/or project partner’s ability to promote and continue efforts to reduce emissions after EPA funding for this project has ended, as described in Section I.B. of this RFA. EPA will evaluate this under criterion 4 Section V.A. of this RFA. Specifically, applications will be evaluated on whether the applicant and/or its project partners have existing policies or new commitments to, by the end of the project period, adopt idle-reduction policies, adopt contract specifications requiring the use of cleaner, more efficient vehicles and equipment, complete an up-to-date mobile source equipment inventory, or adopt other strategies to promote and continue efforts to reduce diesel emissions.

**Section 5. Environmental Results—Outputs, Outcomes and Performance Measures (35 points)**

Identify the expected quantitative and qualitative outputs and outcomes of the project as defined in Section I.C. of the RFA. Specific outputs and outcomes should be provided and may include short- and longer-term activities. In addition to a narrative discussion of the outputs and outcomes, the applicant is encouraged to include a table such as the following:

**Example Outputs and Outcome Table**

|  |  |  |  |
| --- | --- | --- | --- |
| Activities | Outputs | Outcomes | |
| *Fleet A* | *# of vehicles replaced or technologies installed* | Annual Reduction = tons PM2.5 | |
| Lifetime Reduction = tons PM2.5 | |
| Annual Reduction = tons NOx | |
| Lifetime Reduction = tons NOx | |
| Lifetime Capital Cost Effectiveness = $/ton |
| *Fleet B* | *# of vehicles replaced or technologies installed* | Annual Reduction = tons PM2.5 | |
| Lifetime Reduction = tons PM2.5 | |
| Annual Reduction = tons NOx | |
| Lifetime Reduction = tons NOx | |
| Lifetime Capital Cost Effectiveness = $/ton |
| TOTALS |  | Total Annual Emissions Reduction = tons PM2.5 |
| Total Lifetime Emissions Reduction = tons PM2.5 |
| Total Annual Emissions Reduction = tons NOx |
| Total Lifetime Emissions Reduction = tons NOx |
| Total Lifetime Capital Cost Effectiveness = $/ton |
| Total Lifetime Project Cost Effectiveness = $/ton |

1. **(10 points)** Applicants should include the estimated annual and lifetime reductions in diesel emissions resulting from the project. Applicants should follow the instructions in **Appendix C** and should include a printout of their DEQ inputs and results (or alternative methods) as an attachment.

1. **(10 points)** Applicants should include the lifetime total project cost effectiveness for PM2.5and NOx, and the lifetime capital cost effectiveness for PM2.5 and NOx. Applicants should follow the instructions in Appendix C to calculate the cost effectiveness for PM2.5 and NOx reductions.
2. **(5 points)** Applicants should include other expected project outputs and outcomes, including those identified in Section I.C., as applicable.
3. **(5 points) Timeline and Milestones**: This section of the workplan should include a detailed timeline for the project including milestones for specific tasks, such as bidding, procurement, installation and reports, along with estimated dates. Applicants should include scheduled time for quarterly and final report preparation into the project timeline.
4. (**5 points) Performance Measures and Plan**: Applicants should describe the proposed performance measures, which will be the mechanism to track, measure, and report progress towards achieving the expected outputs and outcomes. Applicants should describe their plan for tracking and measuring progress toward achieving the expected project outputs and outcomes and how the results of the project will be evaluated, as described in Section I.C. of the RFA.

Please Note: Applicants should include a printout of their DEQ results spreadsheet showing results and inputs as an attachment to their application. If alternative emission reduction calculation methods are used, applicants should thoroughly describe and document their methods in an attachment to the project narrative. The inputs used for emissions calculations should match the information provided by the applicant in the Applicant Fleet Description. Applicants anticipating the use of Tier 3 or Tier 4i engines should include annual and lifetime tons reduced and cost effectiveness estimates for Tier 4 replacements and the proposed Tier 3 or Tier 4i engine replacements.

**Section 6. Programmatic Capability and Past Performance (15 points)**

1. **(5 points) Past Performance:** This section of the workplan should include a list of federally and/or non-federally funded assistance agreements similar in size, scope and relevance to the proposed project that your organization performed within the last three years. Assistance agreements include federal grants and cooperative agreements but not federal contracts. Please reference no more than three assistance agreements. EPA agreements are preferred. For each agreement listed, include:
   * Project Title
   * Assistance Agreement Number
   * Funding Agency and Assistance Listing Number (formerly known as the CFDA number)
   * Brief description of the agreement – no more than two sentences

This section of the workplan should include a discussion of whether, and how, the applicant was able to successfully complete and manage the listed agreements.

* **(5 points) Reporting Requirements**: For each of the assistance agreements listed, the applicant should describe their history of meeting the reporting requirements under the agreement(s). This should include: whether the applicant submitted acceptable final reports under those agreements; the extent to which the applicant adequately and timely reported on its progress towards achieving the expected outputs and outcomes under those agreements and if progress was not being made, whether the applicant adequately reported why not.

Note: In evaluating applicants under the past performance factors in Section V of the RFA, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and from current/prior grantors (e.g., to verify and/or supplement the information provided by the applicant). If you do not have any relevant or available past performance or past reporting information, please indicate this in the application and you will receive a neutral score for these factors, which is half of the total points available for these sub-criteria. If the applicant does not provide any response for these items, a score of 0 for these factors may be received.

* **(5 points) Staff Expertise**: Include information on the applicant’s organization, including a description of the staff’s knowledge, expertise, qualifications, and resources and/or the ability to obtain them, to successfully achieve the proposed project’s goals. Biographical sketches, including resumes or curriculum vitae for key staff, managers and any other key personnel can be included as an optional project team biography attachment, as listed in Section IV.C. of the RFA; the optional attachment does not count towards the 14-page limit of the project narrative.

Please Note: In evaluating applicants under the factors as described in criteria 7.A. and B. of Section V.A. of this RFA, EPA will use the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and information from current and prior federal agency grantors to verify and/or supplement the information provided by the applicant. If you do not have any relevant or available past performance or reporting information, please indicate this and you will receive a neutral score for these criteria 6.A. and 6.B. under Section V.A. of the RFA. A neutral score is half of the total points available. If you do not provide any response for this item, you may receive a score of zero (0) for these factors.

**Section 7. Budget (15 points)**

This section of the workplan is a detailed description of the budget found in the SF-424A and should include a discussion of the applicant’s approach to ensuring proper management of grant funds, a detailed budget narrative, as well as the itemized budget table below. An applicant’s budget table and budget narrative should account for both federal funds and any non-federal voluntary cost share if applicable. Selected applicant(s) will need to submit a copy of their current indirect cost rate that has been negotiated with a federal cognizant agency prior to award. Additional guidance for developing the applicant’s budget is available in [RAIN-2019-G02, “Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance.”](https://www.epa.gov/grants/rain-2019-g02)

1. **(5 points) Expenditure of Awarded Funds**: Applicants should provide a detailed discussion of their approach, procedures, and controls for ensuring that awarded grant funds will be expended in a timely and efficient manner.
2. **(5 Points) Reasonableness of Costs**: Applicants should provide a detailed description of every itemized cost, including how every cost relates to the project and specific emission reduction activities. Instructions for what to include in the Budget Detail are described in Section 7.c. of this Appendix below.

Applicants should provide:

* Description of the budget and estimated funding amounts for each work component/task.
* For applicants that provide a voluntary cost share, the budget narrative should include a detailed description of how the applicant will obtain the cost share and how the cost share funding will be used. Funds are subject to the regulations governing cost share fund requirements at 2 CFR Part 200. Please see Section III.B. of this RFA for more detailed information on cost share.
* If a proposed cost share is to be provided by a named third-party, a letter of commitment is required.
* There are several ways DERA recipients may implement projects and fund project partners depending on the roles and responsibilities of each. These include direct implementation, subawards, and participant support costs (i.e., rebates). Please refer to **Appendix E** of this RFA for detailed guidance on these funding options and how to correctly categorize these costs in the workplan budget.

1. **(5 points)** **Budget Detail**: Applicants should provide a detailed breakout by funding type included in the proper budget category for each activity requesting funds. Applicants should use the instructions, budget object class descriptions, and example table below to complete the budget table. The budget table should be included in the project narrative and count towards the maximum 14-page limit. Additional budget documents, excluding the SF-424 and SF-424A forms, will not be reviewed as listed in Section III.D. of the RFA.

• Applicants should include applicable rows of costs for each budget category in their budget table to accurately reflect the proposed project budget.

• Applicants should itemize costs related to personnel, fringe benefits, travel, equipment, installation (labor) supplies, contractual costs, other direct costs (subawards, participant support costs), indirect costs, and total costs.

• If providing a voluntary cost share, the budget detail should clearly specify the amount of federal funding and the cost share amount for each category. Any form of cost share included in the budget detail should also be included on the SF-424 and SF-424A.

• For applicants proposing to implement a rebate program, the rebates are appropriately listed under the Other budget category as “Participant Support Costs.” Please see Appendix E for more information on Participant Support Costs as well as RAIN-2018-G05, “Interim EPA Guidance on Participant Support Costs.”

**Budget Detail Instructions:** Applicants should itemize the cost categories as listed below and the SF-424A form: personnel, fringe benefits, contractual costs, travel, equipment, supplies, contractional costs, other direct costs (subawards, participant support costs), indirect costs, and total costs. Round up to the nearest dollar and do not use any cents.

**Personnel – List all staff positions by title. Give annual salary, percentage of time assigned to the project, and total cost for the budget period.** This category includes only direct costs for the salaries of those individuals who will perform work directly for the project (paid employees of the applicant organization as reflected in payroll tax records). If the applicant organization is including staff time (in-kind services) as a cost share, this should be included as personnel costs. Personnel costs do not include: (1) costs for services of contractors (including consultants), which are included in the “Contractual” category; (2) costs for employees of subrecipients under subawards or non-employee program participants (e.g., interns or volunteers), which are included in the “Other” category; or (3) effort that is not directly in support of the proposed project, which may be covered by the organization’s negotiated indirect cost rate.The budget detail should identify the personnel category type by full time equivalent (FTE), including percentage of FTE for part-time employees, number of personnel proposed for each category, and the estimated funding amounts.

**Fringe Benefits – Identify the percentage used, the basis for its computation, and the types of benefits included**. Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits may include, but are not limited to the cost of leave, employee insurance, pensions and unemployment benefit plans. If the applicant’s fringe rate does not include the cost of leave, and the applicant intends to charge leave to the agreement, it should provide supplemental information describing its proposed method(s) for determining and equitably distributing these costs.

**Travel – Specify the mileage, per diem, estimated number of trips in-state and out-of-state, number of travelers, and other costs for each type of travel.** Travel may be integral to the purpose of the proposed project (e.g., inspections) or related to proposed project activities (e.g., attendance at meetings). Only include travel costs for employees in the travel category. Travel costs do not include: (1) costs for travel of contractors (including consultants), which are included in the “Contractual” category; (2) travel costs for employees of subrecipients under subawards and non-employee program participants (e.g., trainees), which are included in the “Other” category. Further, travel does not include bus rentals for group trips, which would be covered under the contractual category. Finally, if the applicant intends to use any funds for travel outside the United States, it should be specifically identified. All proposed foreign travel should be approved by EPA’s Office of International and Tribal Affairs prior to being taken.

**Equipment – Identify each item to be purchased which has an estimated acquisition cost of $5,000 or more per unit and a useful life of more than one year.** Equipment also includes accessories necessary to make the equipment operational. Equipment does not include: (1) equipment planned to be leased/rented, including lease/purchase agreement; or (2) equipment service or maintenance contracts that are not included in the purchase price for the equipment. These types of proposed costs should be included in the “Other” category. Items with a unit cost of less than $5,000 should be categorized as supplies, pursuant to 2 CFR 200.1, “Equipment.” The budget detail should include an itemized listing of all equipment proposed under the project. If installation costs are included in the equipment costs, labor expenses shall be itemized with the detailed number of hours charged and the hourly wage.

If the applicant has written procurement procedures that define a threshold for equipment costs that is lower than $5,000 then that threshold takes precedence.

**Supplies – “Supplies” means all tangible personal property other than “equipment.”** The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies). Non-tangible goods and services associated with supplies, such as printing service, photocopy services, and rental costs should be included in the “Other” category.

**Contractual – Identify each type of proposed contract and specify its purpose and estimated cost.** Contractual services (including consultant services) are those services to be carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. [EPA’s Subaward Policy](https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients) and [supplemental Frequent Questions](https://www.epa.gov/grants/epa-subaward-policy-additional-resources) has detailed guidance available for differentiating between contractors and subrecipients. Leased or rented goods (equipment or supplies) should be included in the “Other” category. EPA does not require applicants to identify specific contractors. The applicant should list the proposed contract activities along with a brief description of the anticipated scope of work or services to be provided, proposed duration, and proposed procurement method (competitive or non-competitive), if known. If installation costs are included in the contractual costs, labor expenses shall be itemized with the detailed number of hours charged and the hourly wage. Any proposed non-competed/sole-source contracts in excess of $3,500 should include a justification. Note that it is unlikely that EPA will accept proposed sole source contracts for goods and services (e.g. consulting) that are widely available in the commercial market. Refer to [EPA’s Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements) for EPA’s policies on competitive procurements and encouraging the use of small and disadvantaged business enterprises.

**Other – List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost.** This category should include only those types of direct costs that do not fit in any of the other budget categories. Examples of costs that may be in this category are: insurance; rental/lease of equipment or supplies; equipment service or maintenance contracts; printing or photocopying; participant support costs (i.e. rebates) and subaward costs. Applicants should describe the items included in the “Other” category and include the estimated amount of participant support costs in a separate line item.

Subawards (e.g., subgrants) and participant support costs are each a distinct type of cost under this category. The term “subaward” means an award of financial assistance (money or property) by any legal agreement made by the recipient to an eligible subrecipient even if the agreement is referred to as a contract. Rebates, subsidies, and similar one-time, lump-sum payments to program beneficiaries for the purchase of eligible emissions control technologies and vehicle replacements are considered to be “Participant Support Costs.” Please refer to **Appendix E** of this RFA for detailed guidance on funding projects and partnerships and how to correctly categorize these costs in the workplan budget, as well as [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](https://www.epa.gov/grants/rain-2018-g05)

“Other” does not include procurement purchases, technical assistance in the form of services instead of money, or other assistance in the form of revenue sharing, or direct appropriations. Subcontracts are not subawards and belong in the contractual category. Applicants should provide the aggregate amount they propose to issue as subaward work or participant support costs as a separate line item in the “Other” category, and a description of the types of activities to be supported. Refer to [EPA’s Subaward Policy and supplemental Frequent Questions](https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients) for additional guidance.

**Indirect Charges – If indirect charges are budgeted, indicate the approved rate and base.** Indirect costs are those incurred by the grantee for a common or joint purpose that benefit more than one cost objective or project and are not readily assignable to specific cost objectives or projects as a direct cost. In order for indirect costs to be allowable, the applicant must have a federal or state negotiated indirect cost rate (e.g., fixed, predetermined, final or provisional), or must have submitted an application to the cognizant federal or state agency. Examples of Indirect Cost Rate calculations are shown below:

* + Personnel (Indirect Rate x Personnel = Indirect Costs)
  + Personnel and Fringe (Indirect Rate x Personnel & Fringe = Indirect Costs)
  + Total Direct Costs (Indirect Rate x Total direct costs = Indirect Costs)
  + Direct Costs, less distorting or other factors such as contracts and equipment

(Indirect Rate x (total direct cost – distorting factors) = Indirect Costs)

Additional indirect cost guidance is available in [RAIN-2018-G02, “Indirect Cost Guidance for Recipients of EPA Assistance Agreements.”](https://www.epa.gov/grants/rain-2018-g02)

**Example Budget Table (Required, part of the 14-page limit)**

|  |  |  |  |
| --- | --- | --- | --- |
| Line Item and Itemized Cost | EPA Funding | Voluntary Cost Share | Total Project Cost |
| (1) Project Staff @ $30/hr x 10 hrs/wk x 40 wks |  | $12,000 |  |
| TOTAL PERSONNEL |  |  | $ 12,000 |
| 20% of Salary and Wages |  |  |  |
| - Leave, Insurance, Pensions, Unemployment |  | $2,400 |  |
| TOTAL FRINGE BENEFITS |  |  | $2,400 |
| Mileage for Staff: 200 mi/mo @ $.17/mi x 12 mo | $408 |  |  |
| TOTAL TRAVEL | $408 |  | $408 |
| 2 DOCs + CCV@ $5000 per unit | $10,000 |  |  |
| 2 DPFs with installation kit @ $6,000 per unit | $12,000 |  |  |
| 1 New Vehicle @ $100,000 per unit | $100,000 |  |  |
| 1 Electric School Bus @ $200,000 per unit | $200,000 |  |  |
| TOTAL EQUIPMENT | $322,000 |  | $322,000 |
| 10 Replacement CCV filters @ $10 per unit | $100 |  |  |
| TOTAL SUPPLIES | $100 |  | $100 |
| Retrofit Installation Contract | $10,000 |  |  |
| TOTAL CONTRACTUAL | $10,000 |  | $10,000 |
| Subgrant to School District for 2 Bus @ $100,000 per unit % plus $10,000 in personnel/admin costs | $200,000 |  |  |
| $10,000 |  |  |
| Participant Support Costs for 2 Rebates for School Bus Replacement ($100,000 per bus) | $200,000 |  |  |
| TOTAL OTHER | $410,000 |  | $410,000 |
| Federal Negotiated Indirect Cost Rate = 10%  (Indirect Rate x Personnel = Indirect Costs) | $1,200 |  |  |
| TOTAL INDIRECT | $1,200 |  | $1,200 |
| TOTAL FUNDING | $743,708 | $14,400 | $758,108 |
|  | EPA Funding1 | Voluntary Cost Share2 | Total Project Cost3 |

1 EPA Funding amount should be included on the SF-424 in Section 18.a and on the SF-424A in: Column (e) under Section A – Budget Summary; and Column (1) under Section B – Budget Categories.

2 Voluntary Cost Share funds be included on the SF-424 in Section 18.b-e and on the SF424A in: Cell 5(f) under Section A – Budget Summary; Columns (2), (3) and/or (4) under Section B – Budget Categories; and Section C – Non-Federal Resources.

3 Total Project Cost should be included on the SF-424 in Section 18.g and on the SF-424A in: Cell 5(g) under Section A – Budget Summary; and Column (5), Row k under Section B – Budget Categories.

**Section 8. Applicant Fleet Description (5 points)**

Applicants should provide a detailed applicant fleet description which describes the specific vehicles and engines targeted for emissions reductions as well as the diesel emissions reduction solution(s) to be implemented under the proposed project. Applicants are encouraged to use the sample format for the applicant fleet description found at: [www.epa.gov/dera/tribal-insulararea](https://www.epa.gov/dera/tribal-insulararea). The applicant fleet description should be submitted as an attachment to the project narrative and does not count towards the 14-page limit.

Applicants should describe, to the extent possible, the fleet(s) targeted for the proposed project, including: fleet owner; publicly or privately owned; place of performance; sector; target fleet type; on highway weight class; on highway description; quantity; vehicle identification number(s); vehicle make; vehicle model; vehicle model year; engine serial number(s); engine make; engine model; engine model year; engine tier; engine horsepower; cylinder displacement; number of cylinders; engine family name; engine fuel type; annual amount of fuel used; annual usage hours; annual miles traveled; annual idling hours; annual hoteling hours; and remaining life. Applicants should describe, to the extent possible, the diesel emissions reduction solution(s) applied to each targeted vehicle/engine, including: year of upgrade action; upgrade; upgrade cost per unit; upgrade labor cost per unit; new engine model year; new engine tier; new engine horsepower; new engine duty cycle; new engine cylinder displacement; new engine number of cylinders; new engine family name; annual idling hours reduced; annual hoteling hours reduced; and annual diesel gallons reduced. This information should be presented in a table format.

The information provided within the applicant fleet description should be used to estimate the anticipated emissions reductions from the project and should be consistent with the information presented in the project narrative (see **Appendix C** for additional information on calculating emissions reductions).

**Attachments** (Use “Other Attachments” form. This information does not count towards the page limit)**:**

**Emission Reduction Calculations:** Mandatory. Applicants should follow the instructions in **Appendix C** of the RFA for calculating emissions reductions and cost effectiveness. Applicants should include a printout of their diesel emissions quantifier (DEQ) results spreadsheet showing DEQ results and inputs as an attachment to their application. If alternative methods are used, applicants should thoroughly describe and document their methods in an attachment to the project narrative. Inputs used for emissions reduction calculations should match the information provided in the applicant fleet description.

**Voluntary Cost Share Commitment Letters**: If applicable, project partners who are providing in-kind or monetary assistance should demonstrate their specific commitment to meet the proposed cost share. Letters should be addressed to the applicant organization and included as attachments to the application. Please do not ask partners to submit letters directly to EPA.

**Partnership Letters**: If applicable, letters of support that demonstrate strong, long-term involvement throughout the project from a variety of project partners are encouraged. Letters should specifically indicate how project partners and supporting organizations will participate in or directly assist in the design and performance of the project, or how obtaining support from project partners will allow the applicant to more effectively perform the project. Letters should be addressed to the applicant organization and included as attachments to the application. Please do not ask partners to submit letters directly to EPA.

**Mandated Measures Justification Supporting Information:** If applicable, the application should include a clear and concise justification in Section 1 of the project narrative, for why/how the emission reductions proposed for funding are not subject to the restriction for mandated measures under this RFA. Applicants should provide sufficient detail and information to support the justification, including maintenance schedules and history, if applicable. Please see Section III.D.21 and **Appendix D** for more information.

**Biographical Sketches/Resumes**: Optional. Provide resumes or curriculum vitae for the project manager and any other key personnel.