**ENVIRONMENTAL PROTECTION AGENCY (EPA)**

**2024 Clean Ports Program: Zero-Emission Technology Deployment Competition Notice of Funding Opportunity (NOFO)**

**EPA-R-OAR-CPP-24-04**

**Project Narrative Sample Format**

**Instructions:** The project narrative should substantially comply with the instructions, format, and content described below. It should also address the evaluation criteria in Section V.A. of the NOFO. The project narrative, including the cover page, workplan, budget table, and budget detail, must not exceed a maximum of 25 single-spaced typewritten pages. Pages in excess of the 25-page limit will not be reviewed. The EPA recommends applicants use the Calibri font, a font size of 11, and 1-inch margins.

Supporting materials, such as project team biographies, Statutory Partnership agreements, and negotiated indirect cost rate agreements can be submitted as attachments and are not included in the 25-page limit. Supporting materials should also be submitted using the Optional Attachments form, as described in Section IV.B. of the NOFO.

Applicants should ensure that their project narratives are written clearly using understandable terms. Doing so will help ensure that the evaluation team members understand the purpose, outputs, and outcomes of the proposed project. Applicants are not required, but are highly encouraged, to use the project narrative format below, including the cover page.

**PLEASE DELETE THIS INSTRUCTION PAGE AND INSTRUCTIONS UNDER EACH SECTION FROM YOUR FINAL PROJECT NARRATIVE.**

* + - 1. **Cover Page:**

The cover page should include the following information. Applicants are required to use the Supplemental Application Cover Sheet, located in the Supplemental Application Template (“3. Cover Sheet for App\_ZE” tab) on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports).

|  |  |  |
| --- | --- | --- |
| **Project Title** | *[One descriptive sentence only]* | |
| **Applicant Information** | Applicant Name/Organization:  Address (Street, City, State, Zip):  Contact Name, Title/Role, Phone Number, and Email Address: | |
| **Type of Eligible Applicant** | *[Using the criteria outlined under* [*Section III.A.*](#_A._Eligible_Entities) *of this NOFO, please indicate entity type below with an X to confirm eligibility. For private entities: The applicant should also list the other eligible entity they are partnering with (Statutory Partner).]*  \_\_ Port authority  \_\_ State, regional, or local agency with jurisdiction over a port authority or a port  \_\_ Tribal agency with jurisdiction over a port authority or a port  \_\_ Air pollution control agency  \_\_ Private entity meeting the requirements in Section III.A. *[Please indicate your Statutory Partner]*: \_\_\_\_\_\_\_\_\_ | |
| **Budget Summary** | *[Use the definitions provided in* [*Section IV.C.2., Section 8*](#IV_C_2_8) *“Budget” to fill out this budget summary, using the below table. The amounts listed in this summary should match the amounts listed in the budget table in Section 8.]*   |  |  |  | | --- | --- | --- | | EPA Funding  Requested | Applicant Costs | Total Project Cost | | $ | $ | $ |   *[As noted in* [*Section II.B.*](#_B._Number_and_1) *of the NOFO, each Tier A application can request up to $500 million, each Tier B application can request up to $150 million, and each Tier C application can request up to $50 million.]*  *[If the applicant would like to be considered for partial funding,* ***the applicant should indicate whether the project is scalable, and if so, the minimum amount of funding the applicant would accept****, which is at or above the minimum threshold described in* [*Section III.C.*](#_C._Threshold_Eligibility)*]* | |
| **Project Location(s)** | *[List the primary location(s) where the benefits of the project will be realized as well as the share of time or activity taking place within each county.]*  Name of Port(s) (or other project location and port(s) served):  Name of Port Authority, if applicable:  County, City, State:  Percent of time/activity in each county:  *[The applicant should indicate whether the application meets the requirements for a small water port project or dry port project as described in* [*Section I.B.*](#_B._Program_Goals) *and* [*Section II.B.*](#_B._Number_and_1) *of the NOFO]*  \_\_ Small water port  \_\_ Dry port | |
| **Project Period** | Project Start Date: | Project End Date: |
| *[Project periods can be up to 4 years.]* | |
| **Short Project Description** | *[Briefly describe the project in one to three sentences only, especially noting the expected outputs and outcomes.]*  Please indicate which of the following ZE port equipment and infrastructure types are included in the project:  \_\_ Drayage trucks  \_\_ Cargo handling equipment & other nonroad  \_\_ Locomotives  \_\_ Vessels  \_\_ Electric vehicle supply equipment  \_\_ Vessel shore power infrastructure  \_\_ Hydrogen fueling infrastructure  \_\_ Solar or wind power generation  \_\_ Battery energy storage system  \_\_ Other (please specify) | |
| **Other Potential Federal Funding Sources** | *[If the applicant has applied or plans to apply for funding for this project (or portions of this project) from another federal funding source, the applicant should list the potential funding source(s). Otherwise, enter N/A]* | |
| **Use of Logistics Software** | Does the applicant use LOGINK or any other prohibited logistics platform as described in [Section III.D.](#_D._Ineligible_Activities) of the NOFO?  \_\_ Yes  \_\_ No | |

* + - 1. **Workplan:**

Applicants should ensure that the workplan addresses the evaluation criteria in [Section V.A.](#_A._Evaluation_Criteria) of the NOFO. Applicants should use the section and subsection numbers and headings below which correspond with the evaluation criteria in Section V.A. of the NOFO. The workplan should be written clearly using understandable terms.

**Section 1 - Project Summary and Approach** (42 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

This section should contain a detailed project description of the following information:

1. **Overall Project and Proposed Impact** (15 possible points)

Provide a detailed project summary and description of the proposed activities to be undertaken, consistent with [Section I.B.](#_B._Program_Goals) “Program Goals and Objectives” of the NOFO. Include details of every activity for which the applicant is seeking funding. This section should include details about how the activities will meet the program goals to (1) build a foundation for the port(s) to transition to fully ZE operations, positioning the port(s) to serve as a catalyst for transformational change across local freight operations; and (2) reduce mobile source pollution in near-port communities, especially disadvantaged communities.

Applications should primarily only include information in Section 1.a. of their workplan that will not be covered by another section of their workplan. Applicants should include information in the cover page of the project narrative about whether their project is scalable and the minimum amount of funding they would accept. This flexibility may provide a benefit to the applicant in the event that the EPA cannot fund the full project amount.

Applicants should include a summary of the equipment and infrastructure to be purchased and explain how the project serves a port based on the definition in [Section I.B.](#_B._Program_Goals) and guidance on ineligible costs in [Section III.D.](#_D._Ineligible_Activities) (Note: Further details about the target fleet and infrastructure should be explained under [Section 1.e](#IV_C_2_1_e) of the workplan). For applicable Build America, Buy America (BABA) requirements (see [Section VI.D.](#_D._Build_America,)), applicants should describe domestic sourcing implementation plans and discuss any anticipated challenges with sourcing any specific products domestically.

Applicants should also explain the merits and viability of the proposed technologies for successful deployment. For each proposed technology, applicants should describe the location of prior deployments, the date and duration of prior deployments, and, to the extent possible, any known details about the extent to which the proposed technology met applicable safety, performance, and durability expectations for successful deployment. Applications including examples of at least three successful prior deployments in regular port-related service may be scored more favorably than those with examples of non-port-related service or examples that only include prior pilot/demonstration phase projects.

Applicants should explain how the proposed technologies will work in concert with each other, with existing and planned future assets, and with supporting investments (e.g., in systems management, workforce training, etc.) to facilitate a transition to fully ZE port operations. Applicants requesting funding for eligible fueling infrastructure costs should also describe the extent to which long-term fueling needs (e.g., for additional ZE equipment) will be considered when installing infrastructure.

**b.** **Partnerships and Collaboration** (7 possible points)

Applicants should discuss their approach for promoting and/or obtaining collaboration and support from Statutory Partners and/or Collaborating Entities in performing the project. List the organizations that will be involved in the project and what each of the groups’ roles will be in the project’s staffing, funding, design, and implementation.

* Eligible private entities applying with a Statutory Partnership (as defined in [Section III.A.](#_A._Eligible_Entities)) should describe each Statutory Partner’s roles and responsibilities in the project. Eligible private entities must attach a signed copy of the Statutory Partnership Agreement described in [Appendix B](#_APPENDIX_B_–_1).
* Applicants applying in coordination with Collaborating Entities (as defined in [Section III.A.](#_A._Eligible_Entities)) should describe for each entity: the type of collaboration/support proposed, how the applicant will ensure that it will materialize during project performance, and what role it will play in the overall project. Any letters demonstrating evidence of collaboration and support from Collaborating Entities may be attached as letters of commitment under optional attachment documents listed in [Section IV.B.](#_B._Application_Process)
* If an applicant includes mandatory cost share contributions from either Statutory Partners or Collaborating Entities, they are strongly encouraged to include in their applicable Statutory Partnership Agreement or letter of commitment a description of the financial contributions being made by the Statutory Partner or Collaborating Entity and the role that the contribution will play in the proposed project.

Under this section, the applicant should explain their plans for making subawards, as necessary and appropriate (see [Appendix A](#_APPENDIX_A_–)) to enhance project effectiveness and/or efficiency. An example of a collaboration or partnership that would be considered under this criterion would be a proposal by an applicant (a single entity) to use Clean Ports funding to make subawards to one or more identified governmental or nonprofit subrecipients that would work collaboratively with the applicant to implement an overarching project. Applicants, not the EPA, will select their subrecipients and the applicant must demonstrate in its proposal and/or agreements and letters of commitment that the project partners are willing to accept the subaward and have the capacity to effectively administer and perform the agreement. Selected applicants who propose to make subawards must follow proper procedures in making subawards and will be expected to make the subawards consistent with their proposal. The EPA’s award will include a term and condition requiring the applicant to make the subawards consistent with their proposal.

IF THE APPLICANT INTENDS TO PROVIDE EPA FUNDS TO ANY COLLABORATING ORGANIZATION, PLEASE CAREFULLY REVIEW [PROVISIONS ON “CONTRACTS AND SUBAWARDS](https://www.epa.gov/grants/epa-solicitation-clauses).”

If the applicant does not plan on partnering or collaborating with other groups in project performance, the applicant should demonstrate its ability to effectively perform and complete the project without such collaboration.

Applicants are also encouraged to explain any partnerships with utilities and/or other state and local agencies on charging infrastructure development, to ensure that new equipment purchased with EPA funding can be powered during and after the period of performance. This may include, but is not limited to, demonstration of coordination and/or consultation with utilities on project feasibility including (1) charging needs; (2) upgrades needed; (3) costs; (4) rates for future service, and (5) timeframe for necessary upgrades. For applicants’ convenience, the EPA has created a sample template to guide applicants in their discussion with utilities, which is available on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports) (See [Section IV.C.2, Section 9](#IV_C_2_9) “Utility Partnership Template”). Applicants are not required to complete this template, or provide the information indicated in the template, but may do so as additional demonstration of robust engagement with their utility.

If applicable, applicants should discuss who or what entities or organization(s) will retain ownership of any vehicles, vessels and/or equipment purchased with funding from this project.

Applicants will be evaluated on the extent to which the application demonstrates that they will work in partnership with appropriate partners to effectively and efficiently implement the proposed project. Applicants that do not plan on partnering with other groups will be evaluated based on the extent to which they demonstrate how they will be able to effectively perform and complete the project without such collaboration.

**c.** **Coordination with Complementary Initiatives** (7 possible points)

Applicants should describe the extent of any coordination between their project and other programs or larger initiatives to support the proposed project activities or to help achieve the broader program goals of reducing port emissions and transitioning the port(s) to ZE operations. Applicants will be evaluated based on the extent and quality of the coordination with described complementary programs or initiatives (including any expected resources) with respect to supporting the proposed project activities or broader program goals, as well as the likelihood the initiatives will materialize during grant performance. Applicants demonstrating confirmed initiatives (e.g., grants already awarded) will score higher than those with only prospective initiatives (e.g., grant applications under consideration but not awarded).

Examples could include, but are not limited to:

* Connection between the proposed project and the Department of Energy’s [Regional Clean Hydrogen Hubs Program (H2Hubs) program.](https://www.energy.gov/oced/regional-clean-hydrogen-hubs-0)
* Connection between the proposed project and the upcoming National Zero-Emission Freight Corridor Strategy.
* Connection between proposed electric infrastructure elements and broader community charging needs, for example, making the charging infrastructure publicly accessible.
* How the project complements projects funded – or projects under consideration for funding – under other programs such as the EPA’s Climate Pollution Reduction Grant Program or the Maritime Administration’s Ports Infrastructure Development Program.
* How the project coordinates with projects at other sites. For example, ports connected by a National Zero-Emission Freight Corridor could coordinate to ensure that sufficient infrastructure exists at both ports to support charging and refueling of anticipated ZE truck trips. Ports could also coordinate on bulk procurement of ZE technologies to drive down prices.
* Use of leveraged resources from state, Tribal, local, and private sources, including businesses or other organizations, to implement the project. Applicants are encouraged to include a description of the anticipated leveraged resources within the applicable attached Partnership Agreements and/or letters of commitment.

**d.** **Project Risk Mitigation** (7 possible points)

Provide a detailed description of how the applicant will ensure the success of the project. Applicants should also discuss any potential barriers to successful project implementation, and strategies for overcoming those barriers. At a minimum, the application should:

* Identify and discuss key risks that could reasonably lead to delays or interruptions in the project or impact its cost and effectiveness,
* Discuss the extent to which the deployment of purchased ZE technology may be affected by these risks, and
* Identify the strategies that will be used to mitigate each risk and discuss their likely adequacy.

The following are examples of key risk elements relevant to a ZE technology deployment project:

* Technical Risks – including, but not limited to, technology readiness and availability, systems integration, infrastructure, and engineering.
* Financial Risks – including, but not limited to, project finance, market and regulatory structures, commercial business models, and credibility and terms of non-federal cost share sources.
* Security Risks – including, but not limited to, preliminary identification of cybersecurity (hardware, software, data), physical security, and internal and external threats, and response planning.
* Organizational Risks – including project team makeup, project management structure, and similar elements.
* Execution Risks – including potential engineering, schedule, procurement, construction, permitting, safety, interconnection timelines and utility provider capacity, timelines for effective engagement with labor and the surrounding community, availability of qualified personnel, and similar elements.

Applications that sufficiently identify risks and mitigation strategies in their proposal will be scored more favorably. If an applicant does not believe that there are potential risk elements or cannot identify potential strategies to overcome those barriers, they should indicate this in the application and provide a clear justification why their proposal is not likely to be adversely impacted.

**e.**  **Applicant Fleet and Infrastructure Description** (6 possible points)

Applicants should use the “*Other Attachments*” form in Grants.gov to upload an .xlsx file of their applicant fleet and infrastructure description (does NOT count towards the 25-page limit). The purpose of the applicant fleet and infrastructure description is to describe in detail the specific vehicles, equipment, vessels and supporting infrastructure to be purchased. Applicants are required to use the fleet and/or infrastructure description found in the Supplemental Application Template (“4a. New Fleet Description” tab and “5. Infrastructure” tab) on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports).

For the fleet description, applicants should describe, to the extent possible, the specific ZE mobile source equipment proposed for funding, including: equipment type (e.g., onroad); vehicle or equipment sub-type (e.g., short haul combination); vocation (e.g., drayage); technology type (e.g., battery electric); equipment owner; place of performance; vehicle class (onroad vehicles only); vehicle GVWR (onroad vehicles only); vehicle or equipment manufacturer; vehicle or equipment model; vehicle or equipment model year; vehicle or equipment total battery capacity (kWh; if applicable); and fuel cell capacity (kW; if applicable).

For electric vehicle supply equipment and other electric charging equipment (other than vessel shore power), applicants should describe, to the extent possible: the type of charger (e.g., Level 2) and whether it is ENERGY STAR certified (applicants planning to use Direct Current (DC) fast charger infrastructure are encouraged, but not required, to use EPA ENERGY STAR certified DC fast chargers where applicable); the manufacturer and model; the maximum power output (kW); the number of charging units; the project location; the port(s) served by the charger; and whether the charger and associated equipment, housing and all accessories are BABA compliant.

For shore power equipment, applicants should describe, to the extent possible: the type of shore power connection (e.g., high voltage shore power connection); the total voltage service provided; the manufacturer and model; the estimated number of vessel calls to berth where the shore power will be installed; the estimated average hotel hours per vessel call; the estimated number of vessel berths that can be served by the shore power pedestal; the maximum power output (kW); the estimated annual total energy provided (MWh); the number of shore power pedestals; the project location; and whether the equipment, housing, and all accessories are BABA compliant.

For hydrogen fueling stations, applicants should describe, to the extent possible: the type of station (e.g., liquid); the type of hydrogen storage (e.g., above ground); the total hydrogen storage tank(s) capacity; the manufacturer and model of the dispenser pedestal, hydrogen storage tank, hydrogen compressor, and hydrogen cooling system; the project location; the port(s) served by the fueling station; and whether the fueling station and related equipment, housing, and all accessories are BABA compliant. Applicants are encouraged to use hydrogen with low lifecycle greenhouse gas emissions (e.g., electrolytic green hydrogen) and to describe, if known, their planned source of hydrogen.

For solar and wind power generation systems, applicants should describe, to the extent possible: the type of energy generation (e.g., solar); the manufacturer and model of the power generation system; the generation capacity of the power system; the project location; the port(s) served by the power generation system; and whether the power generation system and related equipment, housing, and all accessories are BABA compliant.

For battery energy storage systems, applicants should describe, to the extent possible: the type of battery; the manufacturer and model name; the total energy capacity (kWh or MWh); the maximum continuous discharge AC power (kW); the maximum continuous discharge DC power (kW); the number of units; the project location; the port(s) served by the battery energy storage system; and whether the battery energy storage system and related equipment, housing, and all accessories are BABA compliant.

Applicants will be scored on the quality, completeness, and detail of the information provided.

**Section 2 - Environmental Results—Outcomes, Outputs and Performance Measures** (25 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

1. **Expected Project Outputs and Outcomes** (5 possible points)

Identify the expected quantitative and qualitative outcomes and outputs of the project as defined in [Section I.C.2.](#I_C_2) and [3.](#I_C_3) of the NOFO. 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. However, the EPA will not penalize or withhold a benefit from an applicant who provides information in another format.

**Example of Outputs and Outcomes Table: ZE Technology Deployment**

| ***Anticipated Outputs and Outcomes*** | | |
| --- | --- | --- |
| ***Activities*** | ***Outputs*** | ***Outcomes*** |
| *Replacement of X diesel drayage trucks with zero-emission drayage trucks* | *Number of ZE drayage trucks purchased* | *Emissions reductions, such as tons of pollution avoided annually or over the lifetime of the drayage trucks, and improved ambient air quality in near-port communities*  *Net reductions in gallons of diesel fuel used annually or over the lifetime of the drayage trucks.* |
| *Number of existing drayage trucks (with internal combustion engines) scrapped* |
| *Number and type of infrastructure systems installed* |
| *Capacity (kW) of charging systems installed* |
| *Community engagement activities to ensure meaningful participation with respect to the design, planning, and performance of the project* | *Number of local residents and community-based organizations participating in the design, planning, and performance of the project* | *Establishment of forums to engage near-port communities, and increased capacity for port staff to consider community perspectives in decision-making.* |
| *Number and type of community engagement activities undertaken* |

1. **Performance Measures and Plan** (5 possible points)

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.](#_C._Environmental_Results) of the NOFO and Section 2.a. of the workplan.

These performance measures will help gather insights and will be the mechanism to track progress concerning successful processes and output and outcome strategies and will provide the basis for developing lessons to inform future recipients. It is expected that the description of performance measures will directly relate to the project outcomes and outputs (see [Section I.C.](#_C._Environmental_Results)), including, but not limited to:

* Overseeing subrecipients, and/or contractors and vendors;
* Tracking and reporting project progress on expenditures and purchases; and
* Tracking, measuring, and reporting accomplishments and proposed timelines/milestones.

The following are questions to consider when developing output and outcome measures of quantitative and qualitative results:

* What are the measurable short term and longer term results the project will achieve?
* How does the plan measure progress in achieving the expected results (including outputs and outcomes) and how will the approach use resources effectively and efficiently?
* What are the expected locations (county) of the outputs and outcomes?

1. **Timeline and Milestones** (5 possible points)

The applicant should include a detailed timeline for the project including milestones for specific tasks such as bidding, procurement, installation, and reports, along with estimated start and completion dates. Applicants should also include a timeline for when funded equipment and infrastructure will become operational. Applicants should include scheduled time for semi-annual and final report preparation in the project timeline.

**d.** **Scrappage** (10 possible points)

Applicants will be evaluated on the extent to which they plan to scrap existing equipment. Applicants that scrap one equivalent vehicle/piece of equipment for every ZE vehicle/piece of equipment purchased are eligible to receive full points. Partial points may be awarded under this criterion for applicants that plan to scrap less than one vehicle/piece of equipment for every new ZE vehicle/piece of equipment (i.e., partial scrappage). Applicants with projects dedicated to shore power infrastructure (i.e., projects that do not include the purchase of mobile equipment) will receive a neutral score, which is half of the total points available for this sub-criterion.

Applicants committing to voluntary scrappage should provide, to the extent possible, details on the existing equipment that they plan to scrap, including vehicle class and GVWR (onroad vehicles only), manufacturer, model, model year, and remaining life. Applicants are encouraged to use the sample format for scrappage information found in the Supplemental Application Template (“4b. Scrappage Information” tab) on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports).

Applicants will also be evaluated on the quality of their plans to scrap the existing equipment and should describe any plans for voluntary scrappage of existing internal combustion engine equipment that will occur. Applicants should provide, to the extent possible, details related to requirements for the ownership, usage, and remaining life, of the equipment, as described in [Appendix C.](#_APPENDIX_C_–)

**Section 3 - Programmatic Capability and Past Performance** (15 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

**a.** **Past Performance and Reporting Requirements** (10 possible points)

Submit a list of up to five federally funded and/or non-federally funded assistance agreements that the applicant is performing or has performed within the last three years. Assistance agreements include grants and cooperative agreements but not contracts. These assistance agreements should be awarded directly to the applicant. For each of the agreements, include:

* Project title
* Assistance agreement number
* Federal funding agency and assistance listing number (formally known as the CFDA number)
* Brief description of the agreement – no more than two sentences

For each listed agreement, explain whether and, if applicable, how the applicant was able to successfully manage and complete the work.

For each listed agreement the applicant should also 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.A.](#_A._Evaluation_Criteria) of the NOFO, the 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 the applicant does not have any relevant or available past performance or past reporting information, the applicant should indicate this in the application and will receive a neutral score for these factors, which is half of the total points available for this sub-criterion in Section V.A. of the NOFO. If the applicant does not provide any response for these items, or if submitted information is found to be inaccurate, a score of 0 for these factors may be received.

**b.** **Staff Expertise** (5 possible points)

Include information on the applicant’s organization, including a description of staff knowledge, expertise, qualifications, and resources and/or the ability to obtain them, to successfully achieve project 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.B.](#_B._Application_Process) of the NOFO. The optional attachment does not count towards the 25-page limit of the project narrative.

**Section 4 – Environmental Justice and Disadvantaged Communities** (23 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

To advance environmental justice through this program, applicants will be evaluated on the extent to which project benefits are taking place in disadvantaged communities and the extent to which applicants or their project partners have participated in or will participate in meaningful community engagement.

For purposes of this competition and the evaluation of applications, “disadvantaged communities” are defined as meeting **both** of the following criteria:

1. **Any county that includes at least one of the following:**
   1. Any census tract that is identified as disadvantaged in the [Climate and Economic Justice Screening Tool](https://screeningtool.geoplatform.gov/en/) (CEJST) version 1.0;
   2. Any census block group that is at or above the 90th percentile for any of [EJScreen’s Supplemental Indexes](https://www.epa.gov/ejscreen/ej-and-supplemental-indexes-ejscreen#what-supplemental) when compared to the nation or state; and/or
   3. Any geographic area within Tribal lands as included in [EJScreen](https://www.epa.gov/ejscreen).

**AND**

1. **Any county that meets at least one of the following:**
   1. Contains at least one designated nonattainment area or maintenance area for any of the following National Ambient Air Quality Standards. Data is sourced from the [EPA's Green Book of Nonattainment Areas for Criteria Pollutants](https://www.epa.gov/green-book):
      1. PM2.5 1997 Standard (Annual: 15 μg/m3, 24-hour: 65 μg/m3)
      2. PM2.5 2006 Standard (Annual: 15 μg/m3, 24-hour: 35 μg/m3)
      3. PM2.5 2012 Standard (Annual: 12 μg/m3, 24-hour: 35 μg/m3)
      4. Ozone (O3) 2008 Standard (8-hour: 0.075ppm)
      5. Ozone (O3) 2015 Standard (8-hour: 0.070ppm); and/or
   2. Contains at least one census tract where the modeled ambient diesel PM concentration from the [2019 Air Toxics Screening Assessment](https://www.epa.gov/AirToxScreen) is above the 80th percentile (0.38 μg/m3 for 2019) for census tracts nationwide. The 80th percentile is a programmatic cutoff designed to help evaluate those areas that are most likely to have higher concentrations of diesel PM in the year of analysis (i.e., the year for which data are available); this level was not chosen based on risk or other health-based criteria or thresholds. [AirToxScreen](https://www.epa.gov/AirToxScreen) is a screening tool and there are limitations and uncertainties associated with it; see: [AirToxScreen Limitations](https://www.epa.gov/AirToxScreen/airtoxscreen-limitations).

Counties that qualify in whole or in part as disadvantaged communities under one or more of the criteria listed above are identified on the EPA’s Clean Ports Program Disadvantaged Community County List, found on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports). This list also identifies whether counties qualify as extreme or severe nonattainment areas. For evaluation criteria 4.a. and 4.b., applicants should demonstrate the extent to which the project takes place in a disadvantaged community by providing the following Port Location Information for each project site:

* Facility Name. If Site is not a port, please indicate port(s) served.
* City, State, Zip Code
* County
* Description of project activity
* Share of project activity
* Does county contain PM2.5 or Ozone nonattainment area? (Y/N) If so, does it contain a severe or extreme nonattainment area? (Y/N)
* Does county contain PM2.5 or Ozone maintenance area? (Y/N)
* Does county contain high ambient diesel PM concentration? (Y/N)

**Applicants are required to provide this information using the Supplemental Application Cover Sheet, located in the Supplemental Application Template (“3. Cover Sheet for App\_ZE” tab) on the** [**Clean Ports Program website**](https://www.epa.gov/ports-initiative/cleanports)**. This template will automatically identify whether the project is located in a disadvantaged community based on the county provided and the criteria above**.

1. **Disadvantaged Communities: Nonattainment Areas** (7 possible points)

Applicants should describe the extent to which projects are located in counties that meet the disadvantaged communities definition based on meeting the criterion that they contain ozone or PM2.5 nonattainment or maintenance areas. Applicants should also describe the extent to which projects are located in severe or extreme nonattainment areas. Information for this part of the workplan must be provided using the **Supplemental Application Cover Sheet, located in the Supplemental Application Template (“3. Cover Sheet for App\_ZE” tab) on the** [**Clean Ports Program website**](https://www.epa.gov/ports-initiative/cleanports). Note that a list of counties that meet these criteria can be found on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports).

Projects that take place in counties that contain severe or extreme nonattainment areas will receive more points than projects that do not. If projects will take place in more than one county, applicants should describe the percentage of the project activity that will occur in counties containing nonattainment areas or maintenance areas. Partial points may be awarded under this criterion based on the percentage of time that the project takes place in one of these counties.

1. **Disadvantaged Communities: Areas with Air Toxics Concerns** (5 possible points)

Applicants should describe the extent to which projects are located in counties that meet the disadvantaged communities definition based on meeting the criterion that they contain areas with air toxics concerns. Information for this part of the workplan must be provided using the **Supplemental Application Cover Sheet, located in the Supplemental Application Template (“3. Cover Sheet for App\_ZE” tab) on the** [**Clean Ports Program website**](https://www.epa.gov/ports-initiative/cleanports). Note that a list of counties that meet these criteria can be found on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports).

If projects will take place in more than one county, applicants should describe the percentage of the project activity that will occur in counties containing air toxics concerns. Partial points may be awarded under this criterion based on the percentage of time that the project takes place in one of these counties.

1. **Community Engagement Prior to Application and During Project** (7 possible points)

This section should include details about how the activities will meet the program goal to help ensure that meaningful community engagement is a standard practice at the port(s). Applicants should describe the quality and extent of meaningful engagement with near-port communities, particularly disadvantaged communities. Meaningful engagement means seeking out and facilitating the involvement of people potentially affected by the project; informing them about the project; educating them about the benefits of the project to the surrounding community; giving them an opportunity to participate in the project, contribute, and provide feedback; and enabling them to influence decisions about future projects that may affect their environment and/or health. Meaningful engagement is a process, not a single event.

Community engagement can include engagement **prior to application**, in which input was sought and the proposed project is responsive to comments and concerns of near-port communities. Examples of community engagement **prior to application** include, but are not limited to:

* Results from a community engagement process with local residents to discuss port operations and community concerns and interests related to ZE technology deployment, such as a charrette, focus group, key person interview, public hearing, and/or survey.
* Any efforts prior to the application to build community consensus around the proposed project, meet the interests of port stakeholders, and/or identify community priorities and benefits related to the project.

See additional examples below under community engagement **during the project** and in criterion d. **Long-term Community Engagement**.

Applicants may explain any hurdles that prevented the applicant from engaging with the public.

Community engagement can also include plans to meaningfully engage with near-port communities, especially disadvantaged communities, **during the execution of the proposed project**.

Examples of community engagement during the project include, but are not limited to:

* A communications plan that presents a process for disseminating information to the community
* Forums to understand how the community sees potential benefits of the project and how they can engage (e.g., health benefits, new employment opportunities)
* Tabling events, briefings, workshops, forums, and other outreach to present the planned project for early input and to share results
* A hotline or text updates
* A clear point of contact for the public, communicated via regular newsletters, social media posts, and other outreach conveying project updates
* Hiring community members as staff or consultants, to contribute their expertise throughout the project period
* Site visits to share updates and to provide opportunities for community members to interact with port staff
* Honoraria to incentivize community members to participate in program activities, and mitigation stipends to cover expenses like childcare, transportation, or internet access

Applicants will score higher if they can describe how they have engaged with the community **prior to application**, as well as how they will engage with the community **during the project**.

Applicants that provide specific details on the process as well as time and resource commitments will score higher than just providing letters of support. Applicants should consult the [Environmental Justice Primer for Ports and the Ports Primer for Communities](https://www.epa.gov/community-port-collaboration/community-port-collaboration-toolkit) as resources for conducting meaningful community engagement.

**d.** **Long-Term Community Engagement** (4 possible points)

This section should include details about how project activities will meet the program goal to help ensure that meaningful community engagement is a standard practice at the port(s). Applicants should either (1) describe an established long-term policy or process for meaningful community engagement (as defined in Section 4.c. of the workplan), particularly with disadvantaged communities, to get community input on port operations and projects that impact air quality and address community concerns or, if they do not have such a policy or process in place, (2) describe their plans to establish such a policy or process before the end of the project period. Examples of long-term community engagement include, but are not limited to:

* A community engagement liaison or equity program director who is responsible for assisting port staff with their long-term community engagement
* A community advisory committee or other standing forum for two-way engagement that includes representation from local residents and/or local community groups
* A clear point of contact in a public forum (e.g., hotline, website) for community issues, feedback, and complaints
* A community benefits agreement/commitment (other than those specific to workforce development described in Section 6 of the workplan)
* A budget to support community engagement training for staff

**Section 5 – Project Sustainability** (10 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

This section should include details about how the activities will meet the program goal to help ensure that emissions reduction planning is a standard practice at the port(s). Applicants should describe the ability of the applicant and project partners to promote and continue efforts to reduce emissions from ports after EPA funding for this project has ended through the development of a mobile source inventory and/or plan to reduce mobile emissions as described below:

1. **Baseline port mobile source inventory for greenhouse gases, PM2.5 and/or NOx** (5 possible points)

The application should describe the publicly available baseline port mobile source emissions inventory for greenhouse gases, PM2.5 and/or NOx that the applicant or project partners completed after 2019 or commit to completing one before the end of the project period and describe their plan for doing so.

1. **Plan to reduce port mobile source emissions** (5 possible points)

The application should describe the publicly available plan to reduce port mobile source emissions that includes specific greenhouse gases, PM2.5 and/or NOx emission targets that the applicant or project partners finalized after 2019 or commit to completing one before the end of the project period and describe their plan for doing so.

**Section 6 – Job Quality and Equitable Workforce Development** (10 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

Section 133 of CAA will generate jobs at ports and in communities surrounding ports (including low-income and disadvantaged communities) for the installation and maintenance of human-operated equipment and technology, as well as new and modified port operations. To ensure these workers can effectively carry out the activities in the statute, and in alignment with [Executive Order 14082](https://www.federalregister.gov/documents/2022/09/16/2022-20210/implementation-of-the-energy-and-infrastructure-provisions-of-the-inflation-reduction-act-of-2022): *Implementation of the Energy and Infrastructure Provisions of the Inflation Reduction Act of 2022*, the EPA is committed to supporting the creation of high-quality, family-sustaining jobs in port communities, as applicable to fulfill the goals of the statute**.**  Accordingly, applicants will be evaluated on the extent to which they commit to supporting high-quality jobs and expanding access to training and employment for people in low-income and disadvantaged near-port communities.

In addition to their own job quality commitments, applicants should describe the extent to which they anticipate needing partners, such as contractors and subcontractors, to deliver the project and how they plan to encourage those partners to support high-quality jobs and equitable workforce pathways on the project. If an applicant does not yet know all of their project partners, they may include information about how the following components will be addressed in their bidding process. Note that workforce development related to the project activities is an eligible use of program funds, and applicants may request funding to be used to support workforce training as well as safety planning and protocol development as part of their proposal.

1. **Supporting high quality jobs** (6 possible points)

Applications will be evaluated on the extent to which the project will support high-quality jobs for workers on the project and a workforce that can deliver on the goals of the statute. Applicants are encouraged to review the eight [Good Jobs Principles](https://www.dol.gov/general/good-jobs/principles) and [Good Jobs Toolkit](https://www.dol.gov/sites/dolgov/files/OPA/GoodJobs/Toolkit/Good-Jobs-Toolkit.pdf) developed by the U.S. Department of Labor and Department of Commerce when developing their application. Examples of how applicants can demonstrate how they will support high-quality jobs include, but are not limited to:

* **Training workers on new equipment/infrastructure:** The extent to which applicants and/or their project partners have a robust plan for developing the necessary skilled workforce to install, operate, and maintain the proposed equipment/infrastructure. This could involve partnerships with equipment manufacturers, utilization of Registered Apprenticeship Programs, Joint Labor-Management Training Programs, partnerships with community colleges or technical schools, and other high-quality training models. Applicants should be specific and include details such as the workers that will be impacted, skills they will focus on, the number of hours of training, training partners, and other pertinent details.
* **Worker safety:** Applicants’ plan to keep workers safe on this project, including how workers will be prepared to operate the equipment safely. Applicants are encouraged to demonstrate how workers and/or their representatives will be involved in developing and overseeing safety/health plans. Examples of information applicants may provide includes, but is not limited to, how workers will be trained on high-voltage equipment and other topics related to the equipment/infrastructure; describing how safety protocols will be updated considering new equipment/infrastructure; and new personal protective equipment that will be needed.
* **Worker and labor engagement:** The extent to which, consistent with the law, the applicant will engage with workers and/or their representatives on implementing the project successfully and in a timely manner.1 Examples of how this can be demonstrated include, but are not limited to:
* Creating work groups, surveys, or other mechanisms for formally soliciting, accepting, and incorporating worker feedback on the project;
* Partnering with a labor union on the proposed project;
* Describing the extent to which workers on the project are or will be represented by a collective bargaining agreement or other agreement that promotes positive labor-management relations.

Federal funds awarded under this program may not be used to support or oppose union organizing, whether directly or as an offset for other funds.

* **Pay and benefits:** Competitive pay and benefits that support a high-quality, well-qualified workforce that can carry out the activities in the statute.
* Describe whether individuals employed to operate equipment and maintain technology will be paid at least the local prevailing wage for that occupation, and how those wages will be determined. Applicants may also include a description of additional benefits, such as retirement contributions, predictable schedules and paid time off, protections from harassment and discrimination, supportive services for workers with barriers to employment, and other characteristics of a high-quality job.

1. **Expanding access to high-quality jobs, including for people in low-income and disadvantaged near-port communities** (4 possible points)

Applications will be evaluated on how their project demonstrates engagement with low-income and disadvantaged near-port communities that may be affected by the investment, including through training and job opportunities. Applicants should describe the extent to which the proposed project will expand participation from workers in near-port communities. This can include the leveraging of other resources outside of this grant. Examples of such strategies may include, but are not limited to:

* Benchmarks and goals to train and/or hire individuals from low-income and disadvantaged communities, in alignment with applicable law;
* Creating mentorship programs for apprentices or new hires that come from low-income and disadvantaged communities to promote retention and advancement;
* Partnering with the local public workforce system or community-based organizations to support recruitment, hiring, and retention of workers

**Applicants may attach any letters of commitment from applicable labor and workforce development organizations they plan to collaborate with as optional attachments (does not contribute to the workplan 25-page limit).**

**Section 7 – Project Resilience to Climate Impacts** (5 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

Applicants should identify specifically how grant-funded technologies (equipment, vehicles, infrastructure, etc.) will be protected from extreme weather and other climate-related events. The EPA will evaluate applications based on the quality and extent to which the project assesses and implements adaptation considerations described below to help ensure that the project achieves its expected outcomes even as the climate changes.

Adapting to climate change involves actions by individuals, businesses, governments, and others to build resilience into human and natural systems and reduce their vulnerability to unavoidable climate impacts. Adaptation should reduce the long-term costs of responding to these impacts. Projects can demonstrate consideration of climate change adaptation through measures taken to anticipate, prepare for, and avoid adverse impacts of climate change. For example, assessing project vulnerability to climate impacts can be incorporated into project planning, design, and project oversight, such as siting decisions and operational plans. Measures taken to avoid damages could include ensuring fleets and equipment are protected from impacts such as flooding, sea level rise, wildfire, heat, and drought, and protecting infrastructure from storm damage. In the port setting, such measures may include elevating areas where equipment will be stored or charged above tidal surge level, housing equipment inside structures resistant to wind and wave action, and using stormwater channeling techniques to reroute flows away from equipment.

**Section 8 – Budget** (20 possible points from [Section V.A.](#_A._Evaluation_Criteria) of the NOFO)

This section of the project narrative is a detailed description of the budget found in the SF-424A. It must include a discussion of the applicant’s approach to ensuring proper management of grant/cooperative agreement funds, a detailed budget narrative, and the itemized budget table below. An applicant’s budget table and budget narrative must account for both federal funds and any non-federal required or voluntary cost share, if applicable. Selected applicant(s) will need to submit a copy of the current approved indirect cost rate that they have negotiated with a federal cognizant agency prior to award. The cognizant agency is the federal agency responsible for reviewing, negotiating, and approving indirect cost proposals on behalf of all federal agencies (see [2 CFR 200.1](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-A/subject-group-ECFR2a6a0087862fd2c/section-200.1)). Additional guidance for developing the project 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).”

**Mandatory Cost Share:** Applications that include projects with mandatory cost share requirements must demonstrate on the SF-424 *Application for Federal Assistance*, on the SF-424A *Budget Information for Non-Construction Programs,* and in the project narrative how the applicant will meet these minimum mandatory cost share requirements if they are selected for an award.The cost share applies to the total project cost. For example, if a project costs $160 million, the EPA share would be $144 million (90% of $160 million) and the mandatory applicant share would be $16 million (10% of $160 million). In this example, the project is in Tier B because the EPA share is less than $150 million, even though the total project cost is greater than $150 million. For territory applicants (the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands), the applicant share in this example would be $11 million (because up to $5 million of the cost share is waived) and the EPA share would be $149 million. **If all or a portion of the cost share is to be provided by a named Statutory Partner and/or Collaborating Entity, applicants are strongly encouraged to include a description of the provided cost share in an attached Statutory Partnership Agreement or letter of commitment (see** [**Section III.B.**](#_B._Cost_Sharing) **and** [**Section IV.C.2., Section 1.b.**](#IV_C_2_1_b) **of the NOFO for further detail).**

**Target Apportionment Among Cost Categories:** To receive full points in this section, applicants should clearly demonstrate that the program budget achieves the target apportionment of a minimum 50% of program funds for expenses related to the purchase and installation of ZE equipment or shore power infrastructure for vessels. The remaining funds may be used for other expenses such as ZE technology support activities, other types of eligible infrastructure, and project administration.

**Leveraged funds** will be evaluated under [Section V.A., Criterion 1.c.](#V_A_c1) “Coordination with Complementary Initiatives”. Applicants who propose to leverage funds should **not** include these costs or contributions in the project budget on the SF-424 or SF-424A. They should, however, include these leveraged funds in the budget detail, described later in this section. If the proposed leveraged funding does not materialize during grant performance, the EPA may reconsider the legitimacy of the award and/or take other appropriate action authorized under 2 CFR Part 200.

The budget detail described under this section must clearly specify the amount of federal funding and the leveraged funds for each category of total project costs.

1. **Budget Detail** (5 possible points)

This section of the project narrative provides a detailed breakout by funding type included in the proper budget category for each activity requesting funds. Applicants should consult [EPA’s Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance](https://www.epa.gov/sites/default/files/2019-05/documents/applicant-budget-development-guidance.pdf).

Applicants should provide a detailed breakout by funding type and budget category for each activity. Applicants should use the instructions, budget object class descriptions, and example table below to complete the detailed budget section of the project narrative. The budget detail and the budget table should be included in the project narrative and will count towards the 25-page limit. Additional budget documents, excluding the SF-424 and SF-424A forms, and any budget information in the project narratives beyond the page limit will not be reviewed, as explained in [Section III.C.](#_C._Threshold_Eligibility) of the NOFO. Applicants should include rows for each applicable budget category in their budget table, to accurately reflect the proposed project budget. Applicants must itemize costs related to personnel, fringe benefits, travel, equipment, installation or labor supplies, contractual costs, other direct costs (i.e., subawards, participant support costs), indirect costs, and total costs.

The budget detail must clearly specify the amount of federal funding and any mandatory and voluntary cost share amount for each budget category. Separately, any leveraged funds will only be evaluated in Section 1.c. of the workplan and should not be included in the budget. For applicants proposing to implement a participant support cost or rebate program, the rebates are appropriately listed under the “Other” budget category as “Participant Support Costs.” See [Appendix A](#_APPENDIX_A_–) for more information on participant support costs and [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](https://www.epa.gov/grants/rain-2018-g05)

* **Personnel – List all staff positions by title. Provide annual salary (and percentage of time) or hourly rate (and number of hours) 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 is providing 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 individual 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 must identify in the personnel category, the personnel 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(s) of wage or salary represented as Fringe, any other 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 must provide supplemental information describing its proposed method(s) for determining and equitably distributing these costs.
* **Travel – Specify the mileage or fares, 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 proposed project (e.g., inspecting equipment or installations), related to the proposed project (e.g., attendance at meetings), or for technical training or attendance at workshops that supports effective implementation of the project activities. Only include travel costs for employees in the Travel category. Travel costs do not include: (1) costs for contractor travel (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 must be specifically identified. All proposed foreign travel must be approved by the 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 under a 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 the 2 CFR § 200.1 definition of “Equipment.” The budget detail must 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., tools 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 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 and supplemental Frequent Questions](https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients) provide detailed guidance for differentiating between contractors and subrecipients. The 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. Any proposed non-competed/sole-source contracts in excess of $3,500 must include a justification. Note that it is unlikely that the EPA will approve use of 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 the EPA’s policies on competitive procurements and encouraging the use of small and disadvantaged business enterprises. Leased or rented goods (equipment or supplies) should be included in the “Other” category.
* **Construction - Anticipated costs for hiring general contractors and other contractors performing activities described in the DBE Rule’s definition of Construction will be categorized as “Construction”.** Note, EPA’s Disadvantaged Business Enterprise (DBE) rule at 40 CFR [33.103](https://www.ecfr.gov/cgi-bin/text-idx?SID=2df4ffbb444be8288abbe88369d3b9f7&mc=true&node=se40.1.33_1103&rgn=div8) provides definitions for construction, services, and equipment costs for the purpose of categorizing costs on the SF-424A budget form. Anticipated costs for hiring general contractors and other contractors performing activities described in the DBE Rule’s definition of *Construction* will be categorized as “Construction.”Other construction-related anticipated costs may be categorized under “Construction,” “Contractual,” or “Equipment,” depending on whether the cost falls under the DBE Rule’s definition of *Construction*, *Services*, or *Equipment*. For example, anticipated costs for pre-construction architectural and engineering *Services* as defined in the DBE Rule will be categorized as “Contractual.”
* **Other – List each item in sufficient detail for the EPA to determine cost reasonableness and allowability.** 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 include: insurance; rental/lease of equipment or supplies; equipment service or maintenance contracts; printing or photocopying; participant support costs such as non-employee training stipends and travel, subsidies or rebates for purchases of equipment (such as a specified amount of funding for to dray truck owners/operators to purchase ZE trucks); and subaward costs. Applicants should describe each item listed in the “Other” category and list the estimated, aggregated costs of participant support costs and subawards as a separate line item within the “Other” category. Additional information about participant support costs is contained in [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](https://www.epa.gov/grants/rain-2018-g05)

Subawards (e.g., subgrants) and participant support costs are 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 casually referred to as a contract. Rebates, subsidies, and similar one-time, lump-sum payments to program beneficiaries for ZE equipment are considered participant support costs. Please refer to [Appendix A](#_APPENDIX_A_–) for detailed guidance on funding projects and partnerships and how to correctly categorize these costs in the workplan budget. “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, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Subcontracts are not subawards and belong in the contractual category. 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 rate and base.** Indirect costs are those incurred by the recipient for a common or joint purpose that benefit more than one cost objective or project and are therefore not readily assignable to specific cost objectives or projects as a direct cost. 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)

The budget table summarizes, by line item, all proposed costs within each applicable budget category. Applicants should submit information in the cover page of the project narrative about whether their project is scalable and the minimum amount of funding they would accept. This flexibility may provide a benefit to the applicant in the event that the EPA cannot fund the full project amount. Additional information to explain and justify each line item should be provided in the narrative budget description. **Please include in the narrative the percentage of project costs for ZE mobile source equipment purchase and installation.**

**Example Budget Table2 (part of the 25-page limit)**

| **Line Item & Itemized Cost** | **EPA Funding3** | **Non-Federal Cost Share4** |
| --- | --- | --- |
| **Personnel** | | |
| (1) Environmental Engineer @ $60/hr x 40 hrs/wk x 208 wks | $499,200 |  |
| (2) Project Manager (PM) @ $40/hr x 10 hrs/wk x 208 wks | $83,200 |  |
| (3) Project Staff @ $30/hr x 40 hrs/wk x 208 wks | $249,600 |  |
| TOTAL PERSONNEL | $832,000 |  |
| **Fringe Benefits** | | |
| Full-time Employees @ 20% of Salary and Wages x Total Personnel  - Retirement, Health Benefits, FICA5, SUI6 | $166,400 |  |
|
| TOTAL FRINGE BENEFITS | $166,400 |  |
| **Travel** | | |
| Mileage for Engineer: 50 mi/wk @$.17/mi x 208 wks | $1,768 |  |
| Mileage for PM: 25 mi/wk @ $.17/mi x 208 wks | $884 |  |
| Mileage for Staff: 50 mi/wk @ $.17/mi x 208 wks | $1,768 |  |
| TOTAL TRAVEL | $4,420 |  |
| **Equipment** | | |
| 10 Battery Electric Drayage Trucks @ $450,000/unit | $3,700,000 | $800,000 |
| 20 Battery Electric Terminal Tractors @ $400,000 per unit | $7,400,000 | $600,000 |
| 20 Hydrogen Fuel Cell Forklifts @ $100,000 per unit | $1,800,000 | $200,000 |
| 1 Liquid Hydrogen Fueling Station @ $2,000,000 per station (includes storage, vaporizer, dispenser, etc.) | $1,800,000 | $200,000 |
| 10 Battery Electric Terminal Tractor Chargers @ $60,000 per unit | $480,000 | $120,000 |
| 5 Battery Electric Drayage Truck Charging Cabinets @$75,000 per unit | $375,000 |  |
| TOTAL EQUIPMENT | $15,555,000 | $1,920,000 |
| **Supplies** | | |
|  | $0 |  |
| TOTAL SUPPLIES | $0 |  |
| **Contractual** | | |
|  | $0 |  |
| TOTAL CONTRACTUAL | $0 |  |
| **Construction** | | |
| Charging and Fueling Equipment Installation | $500,000 |  |
| TOTAL CONSTRUCTION | $500,000 |  |
| **Other** | | |
| Permit Applications | $100,000 |  |
| Workforce Training | $40,000 | $10,000 |
| TOTAL OTHER | $140,000 |  |
| **Indirect Charges** | | |
| (Federal Negotiated Indirect Cost Rate = 20%) |  |  |
| Federal Indirect Cost Rate x Personnel = Indirect Costs | $166,400 |  |
| TOTAL INDIRECT | $166,400 |  |
| **TOTAL FUNDING** | **$17,364,220** | **$1,930,000** |
| **TOTAL PROJECT COST7** | **$19,294,220** | |

2 The EPA will not penalize or withhold a benefit from an applicant who provides information in another format.

3 The EPA funding amount must be included on the SF-424 in Section 18.a and SF-424A in cell 5(e) under Section A – Budget Summary; and Column (1) under Section B – Budget Categories.

4 Non-Federal Cost Share funding amount must be included on the SF-424 in Section 18.b-e and SF424A in cell 5(f) under Section A – Budget Summary; columns (2) and (3) under Section B – Budget Categories; and Section C – Non-Federal Resources.

5 Federal Insurance Contributions Act expenses

6 State Unemployment Insurance expenses

7 Total Project Cost must be included on the SF-424 in Section 18.g and SF-424A in cell 5(g) under Section A – Budget Summary; and column (5), Row k under Section B – Budget Categories.

**Note on Management Fees**: When formulating budgets for applications, applicants must not include management fees or similar charges in excess of the direct costs and indirect costs at the rate approved by the applicant’s cognizant federal audit agency, or at the rate provided for by the terms of the agreement negotiated with the EPA. The term “management fees or similar charges” refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs that are not allowable under EPA assistance agreements. Management fees or similar charges cannot be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the workplan**.**

1. **Expenditure of Awarded Funds** (5 possible points)

Applicants should provide a detailed description of the approach, procedures, and controls for ensuring that awarded grant funds will be expended in a timely and efficient manner.

1. **Reasonableness of Costs** (10 possible points)

The EPA will evaluate the reasonableness of the project budget based on the applicant’s narrative description of the budget and detailed breakout, and justification of requested funding for each work component or task. Provide a detailed description of every itemized cost, including how every cost relates to the project narrative and specific activities. Applicants should describe the extent to which they meet the Target Apportionment Among Cost Categories, as described above. Instructions for what to include in the budget detail are described above in [Section IV.C.2, Section 8.a.](#IV_C_2_8_a)

Applicants must itemize the cost categories as listed below on the SF-424A form: personnel, fringe benefits, contractual costs, travel, equipment, supplies, construction 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.

For applicants that provide a cost share or leveraged resources as described in [Section III.B.](#_B._Cost_Sharing) of the NOFO and Section 8 above, the budget narrative must include a detailed description of how the applicant will obtain the cost share and leveraged resources and how the cost share funding and leveraged resources will be used. The proposed mandatory cost share included in the budget detail must also be included on the SF-424 and SF-424A. Leveraged resources should not be included in the SF-424 or SF-424A.

Recipients may issue subawards, contracts, or participant support costs to implement projects. Please refer to [Appendix A](#_APPENDIX_A_–) for detailed guidance on these funding options and how to correctly categorize these costs in the workplan budget.

**Section 9 – Attachments** (As listed in [Section IV.B](#_B._Application_Process). of the NOFO; this information does not count towards the project narrative 25-page limit):

**Statutory Partnership Agreement (Required, if applicable):** Eligible private entity applicants must include a copy of a written and signed Statutory Partnership Agreement (as described in [Section III.A.](#_A._Eligible_Entities)) with their application, including the elements of the Statutory Partnership Agreement defined in [Appendix B.](#_APPENDIX_B_–_1)

**Intertribal Consortium documentation (Required, if applicable):** Eligible tribal applicants applying in partnership as an Intertribal Consortium must include a copy of written and signed documentation consistent with [40 CFR 35.504](https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-B/subject-group-ECFR7560dab1b022383/section-35.504). The document must show: (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 grant(s) for which the Consortium has applied.

**Supplemental Application Template (Required):** Applicants are required to use the Supplemental Application Template, located on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports), to provide information for the Cover Page and Sections 4.a. and 4.b. of the workplan.

Applicants must also use this template to provide a detailed applicant fleet and infrastructure description which describes the specific equipment, vehicles, vessels and/or infrastructure to be purchased and deployed under the proposed project. (“4a. New Fleet Description” tab and “5. Infrastructure” tab). Applicants should describe, to the extent possible, the specific ZE mobile source equipment, shore power equipment, electric vehicle supply equipment and other electric charging equipment, hydrogen fueling stations, solar and wind power generation systems, and battery energy storage systems proposed for funding, including the details listed in Section 1.e. of the workplan.

The Supplemental Application Template also includes a sample table (“4b. Scrappage Information” tab) where an applicant may enter information on any equipment, vehicles and/or vessels that will be scrapped at the project location as part of the proposed project.

**Project Team Biographies**: Optional. Provide resumes or curriculum vitae for key staff, managers, and any other key personnel. If submitted, this should be referenced under Section 3 “Programmatic Capability and Past Performance” of the workplan.

**Negotiated Indirect Cost Rate Agreement**: Optional. The applicant may be required to submit this agreement if their application is selected for funding in order to draw down indirect costs.

**Letters of Commitment**: If applicable, letters of commitment that demonstrate strong, continuous support throughout the project from key project partners (i.e., Collaborating Entities) are encouraged. Letters should specifically indicate how project partners and supporting organizations will participate or materially aid (including financial contributions such as mandatory cost share or leveraged resource commitments) in the design and performance of the project, or how obtaining support from Collaborating Entities will allow the applicant to perform the project more effectively. 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 the EPA. If applicable, such letters should be referenced under the appropriate sections of the project narrative.

**Documentation of Partnership with Utility**: Optional. Applicants that are applying for electric equipment and charging infrastructure may provide documentation, such as the Utility Partnership Template available on the [Clean Ports Program website](https://www.epa.gov/ports-initiative/cleanports), as additional demonstration of robust engagement with their utility.