

### Questions and Answers: Clean Heavy-Duty Vehicles (RFA# EPA-R-OAR-CHDV-24-06)

Monday, June 17, 2024

The following Questions and Answers have been compiled for the benefit of organizations considering applying for a grant under the above Notice of Funding Opportunity (NOFO).

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Please note that many questions are variations of each other so your exact question may not be listed; please look for similar questions.

### A. Overview

**A.1**: What are the eligible uses of funding?

**Answer:** CHDV grants provide funding to eligible recipients so that they may replace existing heavy-duty vehicles with zero-emission models. Eligible activities include:

- a) The replacement of eligible existing internal combustion engine (ICE) Class 6 and Class 7 vehicles with eligible zero-emission vehicles; and
- b) Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain the new zero-emission vehicles; and
- c) Workforce development and training to support the maintenance, charging, fueling, and operation of zero-emission vehicles.

Applicants may also use funding to cover project implementation costs, meaning costs directly related to the implementation, management, and oversight of the project, including recipient and subrecipient personnel and benefits, eligible equipment, contractual services, consulting on vehicle deployments, travel, supplies, subgrants and rebates to project partners, and indirect costs. These costs are not included in or subject to the per-vehicle funding cost share and caps listed in Section III.B.1.

Date Posted: 4/30/2024

**A.2**: What is the Clean Heavy-Duty Vehicles Program? Is it different from the Clean School Bus Program?

**Answer:** The Clean Heavy-Duty Vehicles (CHDV) Grant Program is a new funding program through which the EPA will provide up to \$932 million to fund the incremental cost of the replacement of internal combustion engine (ICE) Class 6 and Class 7 vehicles with zero-emission vehicles (ZEV), along with the deployment and operation of ZEV infrastructure, as well as workforce development and training for funded vehicles and infrastructure. This new funding program will focus on communities with poor air quality, with at least \$400 million going to communities located in areas designated "nonattainment" for having air pollution levels persistently exceeding the <a href="National Ambient Air Quality Standards">National Ambient Air Quality Standards</a> (NAAQS). Funds are subject to availability and total awards may be higher or lower than the anticipated funds offered.

The CHDV Grant Program is an entirely separate funding program from the Clean School Bus (CSB) Rebate and Grant Programs. For more information on the CHDV Grant Program, refer to the <u>CHDV website</u>. More information on the CSB Program is available on the <u>CSB website</u>.

Date Posted: 4/30/2024

**A.3**: How many grants will the EPA fund under the 2024 CHDV Grant Program?

**Answer:** The EPA anticipates awarding approximately 40 to 160 grants and/or cooperative agreement(s) under the 2024 CHDV Grant Program Notice of Funding Opportunity (NOFO), subject to the availability of funds, the quantity and quality of applications received, Agency priorities, and other applicable considerations. In making the final funding decisions, the EPA may also consider programmatic priorities and geographic diversity of funds, number and size of awards, environmental benefits, applicability of different business models, and other Agency and programmatic priorities.

A.4: How many vehicles can be replaced?

**Answer:** Applicants applying through the School District Sub-Program must replace a minimum of 10 school buses. Applicants applying through the Vocational Vehicles Sub-Program must replace a minimum of 3 vehicles. Tribal and territory applicants are not subject to vehicle replacement minimums. There is no maximum limit set for vehicle replacements.

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**A.5**: Where can I find more technical information about electric vehicle capabilities? I'm not sure electric vehicles will work in my area because of local conditions (e.g., weather, terrain).

**Answer:** The EPA is partnering with the National Renewable Laboratory to offer technical assistance to applicants and grantees, including information and tools needed to successfully plan and deploy zero emission vehicles and infrastructure. Potential applicants can contact NREL for technical assistance by emailing <a href="mailto:CleanHDVehiclesTA@NREL.gov">CleanHDVehiclesTA@NREL.gov</a>.

Applicants replacing school buses may also visit the <u>Clean School Bus Technical Assistance Webpage</u> for more technical assistance resources. In addition, the <u>Department of Energy (DOE)</u> offers information about the benefits of electric school buses and examples of their use. While not a government source, the <u>World Resources Institute</u> also offers a number of resources, including an electric vehicle buyer's guide.

Date Posted: 4/30/2024

A.6: Who should applicants contact with questions or for assistance completing forms?

**Answer:** Please email <u>CleanHDVehicles@epa.gov</u> with questions on the 2024 CHDV Grant Program. Due to grant competition rules, the EPA cannot provide assistance with filling out a grant application, however, resources on standard grant forms are available here. In addition, the <u>Environmental Justice Technical Assistance Centers</u> may have additional resources relevant to potential applicants.

Date Posted: 4/30/2024

**A.7**: Who do I contact with questions about EV infrastructure?

**Answer:** For technical assistance on planning and deploying zero emission vehicles and infrastructure, please contact <u>CleanHDVehiclesTA@NREL.gov</u>.

Date Posted: 4/30/2024

#### Updated A.8: What is a nonattainment area?

**Answer:** Nonattainment areas are areas of the country where air pollution levels persistently exceed the National Ambient Air Quality Standards. More information about nonattainment areas, including maps of nonattainment areas, can be found at the <a href="EPA's Green Book webpage">EPA's Green Book webpage</a>.

**A.9**: Will there be additional funding opportunities for the CHDV Program after the July 25th deadline?

**Answer:** The total estimated funding expected to be awarded under this competitive CHDV Grant Program is up to \$932 million; however, total funding awarded is dependent upon the number of meritorious applications received and other applicable considerations described in the NOFO. To that end, the EPA reserves the right to make fewer awards than anticipated. Please refer to Section II of the NOFO for more information on available funding.

Date Posted: 5/20/2024

**A.10**: Is there an available list that shows U.S. counties in nonattainment with the National Ambient Air Quality Standards?

**Answer:** Yes, please refer to the <u>2024 CHDV Disadvantaged Community County List</u> (pdf) found on the CHDV Grant Program Webpage and the EPA Green Book.

Date Posted: 5/20/2024

**A.11**: Can the EPA tell me if my organization is eligible to apply, or tell me if our vehicles are eligible?

**Answer:** No. The EPA cannot provide specific eligibility determinations prior to reviewing applications. The EPA can provide general eligibility language from the NOFO and Code of Federal Regulations (CFR), as well as clarifications of this language posted publicly in the Q&A document. Applicants are encouraged to research their organizations' and vehicles' eligibility per the provided NOFO language, relevant CFR language, and Q&A responses before submitting an application. The Gross Vehicle Weight Rating of a vehicle is shown on the vehicle's Safety Compliance Certification Label, located on the inside of the driver's side door or the door latch post pillar.

Date Posted: 5/31/2024

**A.12**: What resources are available for engaging my community?

**Answer:** The Department of Energy (DOE) has developed a Community Benefits Plan template which can be used as a resource for CHDV Grant applicants as they plan for and carry out community engagement for their projects. Please note that Community Benefit Plans are not required for the 2024 CHDV Grant Program, however, this resource may provide relevant questions and other information that potential applicants to the 2024 CHDV Grant Program could use when developing the community engagement aspects of their proposed project plan (See Section IV.C.4.c of the NOFO for details on the Community Engagement criterion). Finally, note that while this DOE resource does encourage the use of CEJST to identify disadvantaged communities, applicants should refer to the CHDV NOFO for information on disadvantaged communities under the 2024 CHDV Grant Program.

Date Posted: 5/31/2024

New A.13: What happens to a grantee's awarded funding that goes unused during the budget period?

Answer: Unused grant funds must be returned to EPA. See 2 CFR 200.344(d):

(d) The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular

A-129 and see § 200.346, for requirements regarding unreturned amounts that become delinquent debts.

Date Posted: 6/17/2024

New A.14: Is EPA offering the 2024 CHDV Grant Program in lieu of a Spring 2024 Clean School Bus (CSB) Grant Program?

**Answer:** The 2024 CHDV Grant Program is currently accepting applications. EPA currently expects to open a CSB funding opportunity in Fall 2024. EPA proactively planned to stagger the CHDV and CSB funding opportunities to allow applicants sufficient time to apply for either or both programs, depending upon their eligibility. Please refer to the <u>CSB website</u> and <u>sign-up for the CSB listserv</u> for up-to-date information on future funding opportunities under the CSB Program.

Date Posted: 6/17/2024

New A.15: How did the EPA determine the anticipated funding split for each sub program?

**Answer:** EPA considered a number of factors, such as market availability of replacement vehicles, statutory direction, and stakeholder input when designing the CHDV Grant Program, including the anticipated funding amounts for each sub-program. As noted in the CHDV NOFO, funding amounts are subject to change based on the quantity and quality of applications and other factors as detailed in Section II.B of the NOFO.

Date Posted: 6/17/2024

**New A.16**: By when must replacement vehicles be purchased?

**Answer:** All new replacement vehicles must be purchased after the grantee receives an official notification of award. After funds are awarded, then EPA encourages funding recipients to purchase new replacement vehicles as expeditiously as possible, while adhering to all Terms and Conditions of the award. This includes that all replacement vehicles must be purchased by the end of the performance period. All mandatory cost shares must materialize by this date as well. The performance period for this NOFO is estimated to last for 24 months, with certain exceptions allowing for up to 36 months. Projects are estimated to begin in January 2025.

Date Posted: 6/17/2024

# **B. Eligible Applicants**

B.1: What is Intertribal Consortia?

**Answer:** For the purposes of this <u>NOFO</u>, "intertribal consortium" is defined as a partnership between two or more eligible Tribal agencies that is authorized by the governing bodies of those Tribes to apply for and receive assistance under this program. Intertribal consortia are eligible to receive assistance under this program only if the consortium demonstrates that all members of the consortium meet the eligibility requirements for the program and authorize the consortium to apply for and receive assistance by submitting to the EPA documentation of (1) the existence of the partnership between Indian Tribal governments and (2) authorization of the consortium by all its members to apply for and receive the assistance.

**B.2**: Can applications include vehicles that would serve municipalities or other eligible applicants outside of the U.S. states and territories?

**Answer:** No. Applications for vehicles that would serve municipalities or other eligible applicants outside the 50 states, D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands are not eligible for funding.

Date Posted: 4/30/2024

**B.3**: How are "municipalities" defined?

**Answer:** Municipality is defined as "a city, town, borough, county, parish, district, or other public body created by or pursuant to State law."

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**B.4**: Are private vehicle fleets, original equipment manufacturers (OEMs), or other private third-party entities eligible to apply?

**Answer:** Private vehicle fleets, OEMs, and other privately-owned third-party entities are not eligible to apply directly for funding under the CHDV Grant Program. However, applicants selected for funding will need to follow applicable grant procurement standards, which can provide opportunities for OEMs, private fleets, and other relevant third-party vendors to bid to provide zero-emission vehicles, charging or refueling infrastructure, or other eligible project expenses. For details on grant procurement rules, please refer to the Procurement Standards in 2 CFR Part 200 (sections 200.317-200.327).

Under the 2024 CHDV Grant Program, examples of how third-party entities might participate include:

- After official award, a grantee solicits a bid from OEMs for buses, then purchases the
  buses from the OEM meeting the requirements of the bid process, and subsequently
  establishes a contractual relationship with a private fleet to transfer ownership of the
  buses to a private fleet to run their bus service.
- After official award, a grantee solicits a bid for bus procurement and private fleet service, and then selects the private fleet meeting the requirement of the bid; the grantee then passes funds to the private fleet to purchase buses and run the bus service.
- Prior to official award, an eligible applicant has an existing contract with a private fleet service; if the existing contract was awarded per grant procurement standards (e.g., following competitive bid requirements) and the existing contract includes both vehicle procurement and vehicle services, then, the applicant, if selected for funding, may be able to use their existing contract. However, if the existing contract was not awarded per grant procurement standards or does not include both vehicle procurement and vehicle services, then the awarded grantee will likely need to initiate a new bid for procurement of buses and bus service per grant procurement standards.

For private third-party entities interested in applying directly to a funding opportunity to replace school buses, the <u>Clean School Bus Program</u> funding opportunities include such entities as eligible applicants.

**B.5**: Will applications be accepted from eligible applicants if the project takes place outside a nonattainment area?

**Answer:** Applications from eligible entities will be accepted regardless of whether the projects take place in a nonattainment area or not.

Date Posted: 4/30/2024

**B.6**: Who is eligible to apply?

Answer: Eligible applicants for the 2024 CHDV Grant Program include:

- a) States, including U.S. territories;
- b) Municipalities, including public school districts;
- c) Indian Tribes, including Intertribal Consortia (see Question B.1. for definition);
- d) Nonprofit school transportation associations.
  - A nonprofit organization is defined as any corporation, trust, association, cooperative, or other organization that is operated mainly for scientific, educational, service, charitable, or similar purpose in the public interest and is not organized primarily for profit; and uses net proceeds to maintain, improve, or expand the operation of the organization. The term includes tax-exempt nonprofit neighborhood and labor organizations.

Date Posted: 4/30/2024

**B.7**: Are electric vehicle charging companies eligible to apply?

**Answer:** No. See eligible entities under this NOFO in Q&A B.6 and Q&A B.4 for information on how third-parties can participate in the 2024 CHDV Grant Program.

Date Posted: 4/30/2024

**B.8**: Are transit agencies that are designated as a local government eligible to apply to the 2024 CHDV Grant Program?

**Answer:** Yes, a local government is considered a type of municipality and municipalities are eligible entities under the 2024 CHDV Grant Program.

Date Posted: 5/20/2024

**B.9**: Do municipal utilities/public power utilities qualify as eligible entities under the "municipality" category? Are investor-owned utility companies eligible entities?

**Answer:** The term "Municipality" is defined as "a city, town, borough, county, parish, district, or other public body created by or pursuant to State law." 42 U.S.C. §7602(f). This definition includes the governmental bodies (such as school districts) that make up municipal governments.

As stated in Section III of the <u>NOFO</u>, municipalities are eligible entities under the CHDV Grant Program; municipal utilities or publicly owned utilities are considered municipalities and are therefore eligible to apply for this grant. Investor-owned or privately-owned utilities are not considered municipalities and therefore not eligible.

Date Posted: 5/20/2024

**B.10**: Are areas currently in "monitoring" status for the National Ambient Air Quality Standards (NAAQS) eligible for the set aside funding for nonattainment areas?

**Answer:** No. Applicants must be designated as in nonattainment with the National Ambient Air Quality Standards (NAAQS) as of the NOFO posting date, April 24, 2024.

Date Posted: 5/20/2024

**B.11**: Are early childhood education programs such as Head Start and Early Head Start eligible entities for the CHDV Grant Program?

**Answer:** Head Start and community-based childcare programs cannot apply directly for funds, but if they operate as part a school district with a National Center for Education Statistics (NCES) District ID (<a href="https://nces.ed.gov/ccd/districtsearch/">https://nces.ed.gov/ccd/districtsearch/</a>), then that school district could apply for funding to replace buses serving the Head Start program. The proposed project must not be funded by other federal funds (e.g., Head Start grant funds).

Date Posted: 5/20/2024

**B.12**: Can multiple eligible applicants from the same EPA region jointly apply to this program on a single application?

**Answer:** While an eligible applicant may partner with any number of partners that own or operate fleets, a single eligible organization/entity must be the applicant. This single applicant will ultimately be the direct recipient of the grant. Please refer to pages 1 and 2 of the <u>NOFO</u> for additional information on naming project partners in an application and relevant requirements for competing for contracts for services and products.

Date Posted: 5/20/2024

B.13: Are not-for-profit higher education institutions eligible applicants?

**Answer:** No. In Section III.D. of the <u>NOFO</u>, 2 CFR §200.1 specifically excludes Institutions of Higher Education from the definition of nonprofit organization.

Date Posted: 5/20/2024

**B.14**: What types of organizations are eligible under the "nonprofit school transportation associations" category?

**Answer:** For the purposes of applicant eligibility under the 2024 CHDV Grant Program, the EPA defines "nonprofit school transportation association" as any nonprofit (as defined in Q&A B.6) dedicated primarily to school bus transportation. A nonprofit association dedicated primarily to other work, including work associated with public education, would not be eligible to apply as a "nonprofit school transportation association."

Date Posted: 5/20/2024

**B.15**: Can school districts that previously received funding from the Clean School Bus (CSB) Program apply to the Clean Heavy-Duty Vehicles (CHDV) Program?

**Answer:** Eligible entities that received CSB Program funding may apply to the CHDV Grant Program; however, the proposed replacement vehicles and any associated charging infrastructure to be paid for in part by CHDV funds must not also be funded by other federal funds (e.g., EPA CSB Program funds). Federal funds may, however, be used on other, non-CHDV funded parts of the project, such as upgrades to infrastructure in front of the meter (the utility side of the meter).

Date Posted: 5/20/2024

**B.16**: Are charter schools included in the definition of public schools under the CHDV NOFO?

**Answer:** It depends; public charter schools with a National Center for Education Statistics (NCES) District ID (<a href="https://nces.ed.gov/ccd/districtsearch/">https://nces.ed.gov/ccd/districtsearch/</a>) are eligible to apply for funding under the 2024 CHDV Grant Program.

Date Posted: 5/31/2024

New **B.17**: Is there a list of eligible applicants and/or approved hydrogen technology vendors for 2024 CHDV Grant Program?

**Answer:** No. The EPA does not maintain a list of eligible applicants and/or vendors for the 2024 CHDV Grant Program.

However, applicants interested in applying for hydrogen fuel cell replacement vehicles may consult the Department of Energy's <u>H2 Matchmaker Tool</u> which helps facilitate regional hydrogen team formation by allowing hydrogen producers, end-users, and other stakeholders to self-identify and align potential needs in specific geographic areas within the United States. Please note that 2024 CHDV Grant Program applicants must follow all eligibility criteria and other program requirements listed in the NOFO.

Date Posted: 6/17/2024

New B.18: Can applicants replace vehicles owned by the U.S. General Service Administration (GSA) under the 2024 CHDV Grant Program?

**Answer:** No. While vehicles owned by GSA may meet the vehicle eligibility requirements listed in Section III.D.1 of the NOFO, CHDV Grant Program applicants who do not own their fleet must work with the owner of their existing vehicles during the application phase to ensure they can comply with the program's scrappage requirements if selected for funding. Please refer to Section III.D.2.c of the NOFO for additional information. Given that GSA owns the vehicles it is likely that these vehicles could not be used to meet the scrappage requirements. In addition, CHDV funds cannot benefit federally owned fleets.

Entities with GSA Fleet-leased buses that are interested in fleet electrification can contact a Fleet Service Representative for support and coordination regarding GSA Fleet. More information can be found on the GSA.gov webpage.

Additionally, entities that are interested in funding opportunities for charging infrastructure can refer to the Joint Office of Energy and Transportation's Funding Opportunities webpage.

Date Posted: 6/17/2024

New B.19: Is a council of governments eligible to apply as a municipality?

**Answer:** In order for a council of governments to be considered a "municipality" under the Clean Air Act, the entity would need to be "a city, town, borough, county, parish, district, or other public body created by or pursuant to State law." 42 U.S.C. §7602(f).

Date Posted: 6/17/2024

New **B.20**: Are municipal departments, such as police departments, eligible applicants for the 2024 CHDV Grant Program?

**Answer:** Yes. Police departments are a type of governmental body that comprise municipal governments, and therefore are eligible to apply to the 2024 CHDV Grant Program.

Additional information on eligible entities, including the definition of "municipality" (i.e., a city, town, borough, county, parish, district, or other public body created by or pursuant to State law. 42 U.S.C. §7602(f)) is included in Section III.A of the NOFO.

Date Posted: 6/17/2024

**New B.21**: Are state authorities such as a state-owned power, thruway, or transit authority eligible entities under the 2024 CHDV Grant Program?

**Answer:** Yes, state authorities are eligible entities. Additional information on eligible entities is included in Section III.A of the NOFO.

Date Posted: 6/17/2024

New **B.22**: Are airport or port authorities eligible for this grant?

**Answer:** Airports and ports owned and operated by a state or municipal government are eligible to apply to the 2024 CHDV Grant Program. In addition, please refer to Q&A E.10 for details on how States or other eligible applicants can make subawards to subrecipients, such as an airport or port authority.

Date Posted: 6/17/2024

New B.23: Can a state or municipality (county) apply on behalf of multiple school districts for the School Bus Sub-Program?

**Answer:** Yes, multiple school districts can apply jointly on a single application as long as all applicants qualify for the funding opportunity and at least 10 zero-emission school buses are requested in the application.

Date Posted: 6/17/2024

New **B.24**: Does the EPA prioritize CHDV Grant Program applicants that were not selected for other funding opportunities such as the 2023 Clean School Bus grant program?

**Answer:** No, the EPA does not prioritize applicants that were not selected for any other funding opportunities.

Date Posted: 6/17/2024

## C. Eligible Vehicles

**C.1**: Are engine replacements, upgrades, conversions, or retrofits eligible activities?

**Answer:** No. The EPA is not funding the conversion of vehicles that have gone through a first retail-sale to operate on battery-electric or fuel-cell drivetrains under this NOFO.

Date Posted: 4/30/2024

**C.2**: What does it mean that "replacement vehicle must be similar in form and function to the vehicle being replaced"?

**Answer:** Replacement vehicles must generally be of the same or similar vehicle type and continue to perform the same or similar function and operation as the vehicle being replaced. If the applicant requests vehicles that include additional functionality or add-ons unrelated to the vehicle's ability to perform its function, then the EPA may elect not to fund, or to partially fund, the requested new vehicles. Please refer to NOFO Section V for additional details.

Date Posted: 4/30/2024

C.3: Do all replacement vehicles have to be the same fuel type?

**Answer:** No, grantees may use the EPA funds to purchase a combination of vehicles with battery-electric or hydrogen fuel cell powertrains.

Date Posted: 4/30/2024

**C.4**: Can 2024 CHDV grant funding be used to lease or lease-to-own the new replacement vehicles?

**Answer:** No. New replacement buses must be purchased, not leased or leased-to-own. Vehicle loans are permitted for the replacement bus purchases, provided that the applicant on the application takes title to the vehicle before the end of the project period.

Date Posted: 4/30/2024

C.5: Can vehicles currently being leased be replaced in this grant program?

**Answer:** Yes. Applicants may work with the fleet owner(s) of their existing vehicles to carry out the project, including scrapping, selling, or donating existing vehicles according to program guidelines. Note: the organization leasing the buses will likely need a contractual arrangement with the lessor to ensure the buses are replaced. The EPA will not be involved in such contractual arrangements.

Date Posted: 4/30/2024

C.6: Is a vehicle already on order eligible as a replacement vehicle?

**Answer:** No. Vehicles must not be ordered prior to receiving official notification of selection for the EPA funding.

**C.7**: How is a "zero-emission vehicle" defined under the Clean Heavy-Duty Vehicles Program?

**Answer:** Under the Clean Heavy-Duty-Vehicles Program, a zero-emission vehicle is defined as a vehicle that has a drivetrain that produces, under any possible operational mode or condition, zero exhaust emissions of any criteria air pollutant (or precursor thereof) and any greenhouse gas.

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**C.8**: Are diesel or gasoline vehicles eligible as the new replacement vehicles?

**Answer:** No. Replacement vehicles must have a battery-electric, or hydrogen fuel cell drivetrain.

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**C.9**: What model years are eligible for the replacement vehicle?

**Answer:** Replacement vehicles must be a new model year 2023 vehicles or newer that are certified to conform with all applicable Federal Motor Vehicle Safety Standards (FMVSS). Please see Section III.D of the CHDV Notice of Funding Opportunity (NOFO) for additional requirements for replacement vehicles.

Date Posted: 4/30/2024

**C.10**: Is there a usage requirement for existing vehicles?

**Answer:** Yes, school buses must have provided bus service to a public school district for at least three days/week on average during the 2022/2023 school year at the time of applying, excluding emergency-related school closures. There is no mileage usage minimum for school buses.

For other non-school bus vehicles, the vehicles must have accumulated at least 7,000 miles/year during each of the two years prior to replacement. The mileage of two or more vehicles may be combined to reach 7,000 miles/year where two or more vehicles will be replaced with a single zero-emission vehicle. For Tribal and territory applicants, as defined by Section III.A.3 of the NOFO, the mileage minimum is 5,000 miles/year during each of the two years prior to replacement. If a vehicle does not meet the mileage requirement and the applicant can demonstrate that the vehicle idles the main engine for long periods to provide power for auxiliary apparatus (e.g., firetrucks or utility trucks), then the existing vehicle to be replaced must have idled for at least 500 hours/year during the two years prior to replacement.

Please see Section III.D of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> for more information about eligible activities, vehicles, infrastructure and costs.

Date Posted: 4/30/2024

**C.11**: Are there requirements for charging network providers to qualify to provide equipment to selected awardees?

**Answer:** Please refer to pages 1 and 2 of the <u>NOFO</u> for information on requirements for competing contracts for services and products, as well as conducting cost and price analyses, to the extent required by the procurement provisions of the regulations at 2 CFR Part 200.

As described in Section III.D of the NOFO, all AC Level 2 charging infrastructure purchased under this program must be EPA ENERGY STAR certified at the time of purchase.

All electricians installing, operating, or maintaining electric vehicle supply equipment (EVSE) are required to be certified from the Electric Vehicle Infrastructure Training Program (EVITP), or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation. For projects requiring more than one electrician, at least one electrician must meet the requirements above. Recipients should request and maintain proof of EVITP certification from their electricians for purposes of project audits.

Date Posted: 5/20/2024

C.12: Where can we find the requirements for eligible replacement vehicles?

**Answer:** Applicants should review Section III.D.3. of the <u>NOFO</u> for all replacement vehicle eligibility requirements. Applicants should also review the Build, America Buy America requirements in Section VI.C. of this NOFO.

Date Posted: 5/20/2024

**C.13**: What vehicle types are eligible for replacement?

**Answer:** Please see Section III.D.2 of the CHDV Notice of Funding Opportunity (NOFO) for all program requirements of vehicles eligible for replacement. Note that Section 422 of the Transportation, Housing and Urban Development, and Related Agencies Consolidated Appropriations Act of 2019 amended 23 U.S.C. 127 (s) to state that, "A vehicle, if operated by an engine fueled primarily by natural gas or powered primarily by means of electric battery power, may exceed the weight limit on the power unit by up to 2,000 pounds."

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**C.14**: Are any classes of vehicles other than Class 6 & 7 vehicles eligible for replacement?

**Answer:** No. Per Section III. D. of the <u>NOFO</u>, vehicles to be replaced must be a Class 6 or Class 7 heavy-duty vehicle with Gross Vehicle Weight Rating (GVWR) between 19,501 pounds to 33,000 pounds to be eligible for funding,

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**C.15**: What requirements must the existing vehicle that will be replaced meet?

**Answer:** Please see Section III.D.3 of the <u>CHDV Notice of Funding Opportunity (NOFO)</u> for all program requirements of eligible replacement vehicles.

**C.16**: Are eligible replacement vehicles required to have an EPA certificate of conformity and/or CARB Executive Order at the date of application?

**Answer:** To be eligible for funding, vehicles must receive an EPA certificate of conformity and/or a California Air Resources Board (CARB) Executive Order to applicable emissions standards before entering commerce, per the Clean Air Act. Vehicles funded under the CHDV Program must be certified to conform with all applicable Federal Motor Vehicle Safety Standards (FMVSS) for the funded fuel type of the new vehicle after the final stage of manufacturing. All requirements for new replacement vehicles may be verified upon audit throughout the project period.

Date Posted: 5/20/2024

C.17: Are off-road vehicles eligible for funding through the CHDV Grant Program?

**Answer:** No. Off-road vehicles are not eligible for funding through the CHDV Grant Program. For the types of eligible vehicles please see Sections III.D.2 and D.3 of the NOFO.

Date Posted: 5/20/2024

C.18: Do awardees have to purchase all replacement vehicles at the same time?

**Answer:** No. However, awardees must procure and receive eligible replacement vehicles within the project period. The estimated project period for awards resulting from this solicitation will be up to 24 months, however, initial project periods of up to 36 months will be allowed when justified by the activities, timeline, and milestones detailed in the workplan. The estimated project start date for awards is January 2025.

Date Posted: 5/20/2024

C.19: Where can I find information on "Other Vocational Vehicles?"

**Answer:** Please see the definition of Vocational Vehicle under the Code of Federal Regulations, 49 CFR Part 523 at <a href="https://www.ecfr.gov/current/title-49/subtitle-B/chapter-V/part-523">https://www.ecfr.gov/current/title-49/subtitle-B/chapter-V/part-523</a>. Types of vocational vehicles not specifically listed in Table 2 of the <a href="NOFO">NOFO</a> ("Mandatory Cost Share and Caps Per-Vehicle" found under Section III.B.1) but that meet the program's eligibility requirements in Section III.D.2 are eligible, as denoted with "Other Vocational Vehicles" in Table 2.

Date Posted: 5/20/2024

C.20: What is the difference between a Class 6 and Class 7 vehicle?

**Answer:** Class 6 and 7 vehicles are distinguished by Gross Vehicle Weight Rating (GVWR) as defined in 40 CFR 1037.801:

- Class 6 vehicles are heavy-duty motor vehicles that range from 19,501 lbs. to 26,000 lbs. GVWR.
- Class 7 vehicles are heavy-duty motor vehicles that range from 26,001 lbs. to 33,000 lbs. GVWR.

Date Posted: 5/31/2024

**C.21**: Can an applicant acquire eligible existing vehicles to be replaced if we do not currently possess them?

**Answer:** Yes. An applicant may acquire eligible existing vehicles to apply for the 2024 CHDV Grant Program. This applies to both the School Bus Sub-Program and the Vocational Vehicles Sub-Program. However, applicants must provide all the necessary records from the previous owner that clearly demonstrate the acquired vehicles' meet all eligibility requirements, including vehicle usage requirements, under the NOFO Section III.D.2 Eligible Existing Vehicles.

Date Posted: 5/31/2024

**C.22**: If an applicant does not have an existing Class 6 or 7 vehicle, but has Class 8 heavy duty diesel vehicles, can they still apply to the CHDV Grant Program?

Answer: No. Per the <a href="CHDV">CHDV</a> provisions in the IRA statute</a>, and Section II. D. of the <a href="NOFO">NOFO</a>, all vehicles funded for replacement under this program must be Class 6 or 7 vehicles. However, EPA offers other funding opportunities under the Diesel Emissions Reduction Act (DERA) program that provides funding for eligible diesel emissions reduction technologies, including (but not limited to) vehicle replacement for certain eligible Class 5 through 8 vehicles. More information on the DERA program, including information on eligibility requirements for specific funding opportunities, can be found on the <a href="49 U.S.C.">49 U.S.C.</a> § 30125). Eligible school buses must have provided bus service to a public school district for at least three days/week on average during the 2022/2023 school year at the time of applying, excluding emergency-related school closures.

The Vocational Vehicles Sub-Program is for the replacement of all other non-school bus Class 6 and Class 7 vehicle types. This can include but is not limited to transit buses. An example of a "transit bus" is an 'urban bus', defined in 40 CFR Part 86 as a passenger-carrying vehicle with a load capacity of fifteen or more passengers and intended primarily for intracity operation, i.e., within the confines of a city or greater metropolitan area. Urban bus operation is characterized by short rides and frequent stops. To facilitate this type of operation, more than one set of quick-operating entrance and exit doors would normally be installed. Urban buses are also typically characterized by the absence of equipment and facilities for long distance travel, e.g., rest rooms, large luggage compartments, and facilities for stowing carry-on luggage.

Additional eligibility requirements for existing school buses, transit buses, and other vehicles to be replaced under the 2024 CHDV Grant Program are included in NOFO Section III.D.

Date Posted: 5/31/2024

**C.24**: How do I determine if my existing vehicle(s) is Class 6 or Class 7?

**Answer:** Please refer to the Gross Vehicle Weight Rating (GVWR) of the vehicle; GVWR information is generally included in the owners' manual of the vehicle and on the vehicle's Safety Compliance Certification Label, located on the inside of the driver's side door or the door latch post pillar.

Date Posted: 5/31/2024

### New C.25: How are vehicle classifications determined?

**Answer:** Vehicle classifications are the vehicle weight classes defined by the Federal Highway Administration (FHWA) and used consistently throughout the industry. The classes are based on gross vehicle weight rating (GVWR), the maximum weight of the vehicle, as specified by the manufacturer. GVWR includes total vehicle weight plus fluids, passengers, and cargo. The GVWR of a vehicle is shown on the vehicle's Safety Compliance Certification Label, located on the inside of the driver's side door or the door latch post pillar. Class 6 and 7 vehicles are defined as having a GVWR between 19.501 and 33,000 lbs.

Date Posted: 6/17/2024

### New C.26: Why isn't the CHDV Grant Program available for Class 8 vehicles?

Answer: Section 60101 of the Inflation Reduction Act of 2022 created Section 132 of the Clean Air Act (42 U.S.C. 7431) and provided up to \$1 billion in funding to replace eligible non-zero emission vehicles with zero-emission vehicles and assist with the purchase and installation of associated infrastructure, and workplace development and training. An "eligible vehicles" is defined in Subpart (d)(3) as a Class 6 or Class 7 heavy-duty vehicle as defined in Section 1037.801 of Title 40, Code of Federal Regulations. 40 CFR 1037.801 defines Class 6 and 7 as heavy-duty motor vehicles having a Gross Vehicle Weight (GVWR) between 19.501 and 33,000 lbs. This excludes heavier Class 8 vehicles with a GVWR above 33,000 lbs.

Date Posted: 6/17/2024

#### New C.27: What is the definition of a bucket truck?

**Answer:** A bucket truck is a utility vehicle equipped with a hydraulic boom/bucket that moves up and down. Please refer to Section III.D of the <u>NOFO</u> for additional details on eligible vehicles.

Date Posted: 6/17/2024

### New C.28: Does the CHDV Program provide funding for hydrogen production systems?

**Answer:** No, hydrogen production systems (e.g., electrolyzers, conversion facilities), associated infrastructure, and their installation are not eligible for funding. Transmission (e.g., piping and pipelines) and/or transportation of hydrogen outside of the project area is also ineligible for funding. 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.

Date Posted: 6/17/2024

### New **C.29**: Are there restrictions on the types of hydrogen fuel used by replacement vehicles?

**Answer:** No. There are no restrictions regarding the types of hydrogen fuel that may be used to power eligible replacement vehicles under the CHDV Grant Program. However, 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. Please refer to IV.C. Section 6 (Project Sustainability) of the NOFO for more information.

Date Posted: 6/17/2024

New C.30: Can qualifying vehicles have attachments that cause air-pollution such as a diesel heater?

**Answer:** As described in Section III.D.3.f.i of the <u>NOFO</u>, qualifying vehicles cannot be manufactured or retrofitted with, or otherwise have installed, a power unit or other technology that creates air pollution within the vehicle, such as an unvented diesel passenger heater. Externally vented, fuel-operated passenger heaters are allowed, but not recommended as data show that the associated emissions are still harmful.

Date Posted: 6/17/2024

New C.31: Can you provide a list of original equipment manufacturers (OEMs) offering eligible replacement vehicles?

Answer: No. EPA cannot provide a list of eligible replacement vehicles as this could be considered government promotion of some manufacturers over others. Applicants are encouraged to fully research the marketplace of battery-electric and hydrogen fuel cell Class 6 and 7 heavy-duty vehicles, including resources for the School Bus Sub-Program and Vocational Vehicles Sub-Program. Please refer to the EPA's Clean Heavy-Duty Vehicles Program:

Applicant Resources webpage for select resources that may be of assistance when conducting market research. Additionally, the World Resources Institute (WRI) has created an Electric School Bus Market Study and U.S. Buyer's Guide. Please note that this resource was developed and is maintained by WRI. The EPA is not responsible for updating or verifying the accuracy of the published information.

Date Posted: 6/17/2024

New C.32: What types of vocational vehicles are eligible under the Vocational Vehicles Sub-Program?

**Answer:** All existing vehicles to be replaced through the Vocational Vehicles Sub-Program must be a Class 6 or Class 7 heavy-duty vehicle that does not meet the definition of a school bus (defined in Section III.D of the NOFO). Please refer to Section III.D of the CHDV NOFO for additional information on eligible vehicles. As noted in Table 2 of the NOFO, examples of vehicles in Vocational Vehicles Sub-Program include, but are not limited to, straight/box truck, step van, bucket truck, refuse haulers, street sweepers, and transit buses. A Class 6/7 zero-emission fire truck would be another example.

Date Posted: 6/17/2024

## **D. Eligible Costs & Funding Amounts**

**D.1**: If the EPA cost share of a replacement vehicle is less than the maximum per-vehicle funding amount, can the remaining funds be used for charging infrastructure costs?

**Answer:** Yes. The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>NOFO</u> represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure. Note, the total of funds from the CHDV grant and other eligible external funds allocated for the vehicle replacements and infrastructure cannot exceed the cost of the new vehicles and infrastructure.

#### **D.2**: What is the per-vehicle funding limit?

**Answer:** The EPA will fund the EPA cost share percentage of the new vehicle, up to the pervehicle funding cap. For specific per-vehicle funding caps and mandatory cost share percentages, please see Table 2 in Section III.B of the <u>Notice of Funding Opportunity</u> (<u>NOFO</u>). Note, the applicant cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the per-vehicle cost caps as shown in the table.

Date Posted: 4/30/2024

### **D.3**: Is funding available for charging infrastructure?

**Answer:** Yes. The per-vehicle funding caps listed in Table 2 in Section III.B of the <a href="CHDV Notice">CHDV Notice</a> of Funding Opportunity (NOFO) represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure.

Eligible costs for charging infrastructure includes, but is not limited to, charging equipment (such as alternating current (AC) Level 2 charging equipment, direct-current (DC) fast charging equipment, or vehicle-to-grid (V2G) enabled equipment); design and engineering; installation costs such as trenching, wiring and electrical upgrades, labor, and permitting; and related intelligent equipment and software designed to monitor vehicle and infrastructure performance (such as telematics or charge management software).

Funding under this NOFO cannot be used for: utility-owned power distribution; transformers and their installation; electricity; operation and maintenance to utility systems; or non-renewable stationary on-site power generation systems (e.g., generators) and their installation. See Section III.D for eligible charging and fueling infrastructure costs and other infrastructure requirements.

Date Posted: 4/30/2024

### **D.4**: Is funding available for hydrogen fueling infrastructure?

**Answer:** Funding is available for fueling infrastructure for new hydrogen fuel cell vehicles. The per-vehicle funding caps listed in Table 2 in Section III.B of the <u>Notice of Funding Opportunity (NOFO)</u> represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure.

Eligible costs for hydrogen fueling infrastructure include, but are not limited to, storage tanks, liquid and gaseous pumps and vaporizers, compressors, heat exchangers, chillers, piping and pipelines within the relevant facility, and high-pressure dispensers (including hose, nozzles, and meters) needed to fuel the new hydrogen fuel cell electric vehicles funded under the proposed project. See Section III.D of the NOFO for eligible charging and fueling infrastructure costs and other infrastructure requirements.

**D.5**: Are funds available for costs on the utility's side of the electric meter?

**Answer:** Eligible infrastructure costs are limited to installations and upgrades on the customer's side of the electric meter. CHDV funding cannot be used for utility-owned power distribution; electricity; operation and maintenance to utility systems; or non-renewable (i.e., non-wind and non-solar) stationary on-site power generation systems (e.g., generators) and their installation. The EPA recommends reaching out to your utility for more information on the support they can offer on this work; the EPA has provided a <a href="Utility Partnership Template">Utility Partnership Template</a>, available on <a href="EPA's CHDV Grant Program webpage">EPA's CHDV Grant Program webpage</a>, to support early conversations on this and other aspects of project planning for electric vehicles. State and other local funding may also be available for this work.

Date Posted: 4/30/2024

**D.6**: Is funding available to purchase diesel, biodiesel, gasoline, propane, or CNG vehicles and fueling infrastructure?

**Answer:** No, Clean Heavy-Duty Vehicles (CHDV) funding may not be used to purchase diesel, biodiesel, gasoline, propane or CNG vehicles and fueling infrastructure. CHDV funding must be used to purchase battery-electric or hydrogen fuel cell vehicles. Please see Section III.D of the Notice of Funding Opportunity (NOFO), and Q&A A.1 for more information on eligible costs and activities.

Date Posted: 4/30/2024

**D.7**: Are workforce training costs eligible uses of CHDV funding?

**Answer:** Eligible project costs include driver, electrician, and mechanic training related to the maintenance and operation of new ZEVs and associated infrastructure. Eligible costs also include training to certify licensed electricians to install EVSE, such as certification through the Electric Vehicle Infrastructure Training Program (EVITP).

Date Posted: 4/30/2024

**D.8**: Are project costs outside the cost of the vehicle and infrastructure itself, such as personnel, fringe benefits, travel, scrappage, and vehicle delivery, subject to the per-vehicle caps listed in Table 2?

**Answer:** Project implementation costs are eligible uses of CHDV funding. Project implementation costs are not included in or subject to the per-vehicle caps listed in Table 2. Project implementation costs are defined in the Notice of Funding Opportunity as costs directly related to the implementation, management, and oversight of the project, including recipient and subrecipient personnel and benefits, eligible equipment, contractual services, travel, supplies, subgrants and rebates to supportive stakeholders, and indirect costs.

Date Posted: 4/30/2024

**D.9**: Is additional funding available for ADA-compliant school buses?

**Answer:** Yes, ADA-compliant school buses are eligible for an additional \$20,000 per-vehicle funding cap (i.e., a total per-vehicle funding cap of \$300,000).

**D.10**: Can infrastructure and vehicle funding amounts be pooled together for all vehicles and infrastructure in the application, or do the per-vehicle caps represent the funding limit for each vehicle and associated infrastructure unit?

Answer: The per-vehicle funding caps listed in Table 2 in Section III.B of the Notice of Funding Opportunity (NOFO) represent combined vehicle-infrastructure funding caps. The per-vehicle funding amount is dependent on the vehicle type and whether the replacement vehicle will be a battery-electric or hydrogen fuel cell vehicle. Funding for vehicles and charging infrastructure can be pooled, but the EPA will not pay for more than the cost share percentage listed in Table 2 per vehicle. Recipients have the flexibility to determine how to split this funding between vehicles and charging infrastructure for each vehicle in the proposed project; funds allocated for infrastructure across vehicles may be pooled for purchasing infrastructure that would support those vehicles. Note, funding beyond the per-vehicle levels is also available for project implementation costs (i.e., costs directly related to the implementation, management, and oversight of the project; see Q&A D.8 and Section III.D.4.b of the NOFO for more information on Project Implementation Costs).

Date Posted: 4/30/2024

**D.11**: If an eligible vehicle is purchased within the period of performance but delivered after the period of performance will the cost be an eligible expense?

**Answer:** All project activities and costs incurred, including order and delivery of new eligible vehicles, must be completed within the period of performance. The estimated project period for awards resulting from this solicitation is up to 24 months, however, initial project periods of up to 36 months will be allowed where justified by the activities, timeline, and milestones detailed in the workplan. The estimated project start date for awards is January 2025.

Date Posted: 5/20/2024

**D.12**: What constitutes an "in-kind administrative cost" that can count towards the applicant cost share?

**Answer:** For Federal awards, in-kind administrative costs refer to contributions made by a non-Federal entity (such as a nonprofit organization or local government) that are necessary for the accomplishment of project or program objectives. These contributions are not in the form of cash but rather involve donated items or services that directly support the project. In-kind administrative costs count toward the applicant's cost share if the costs are eligible and allowable and meet all applicable criteria in the Code of Federal Regulations Title 2, Subpart D, Section 200.306. An example of in-kind costs include recipient personnel time dedicated to the project where the recipient pays the salary for personnel instead of billing EPA for the employee's time spent on grant funded activities.

Date Posted: 5/20/2024

**D.13**: Is the cost of an electrician to install a charger for electric vehicles an eligible cost?

**Answer:** Yes, installation costs, including the cost of an electrician, are eligible costs. Note, all electricians installing, operating, or maintaining CHDV-funded EVSE electricians installing, operating, or maintaining EVSE are required to be certified from the Electric Vehicle Infrastructure Training Program (EVITP), or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation. For projects requiring more than one electrician, at least one electrician must meet the requirements above. See Section III.D of the Notice of Funding Opportunity (NOFO) for more information.

**D.14**: Are alternative powered EV chargers considered "Eligible Infrastructure"?

**Answer:** Solar- or wind-powered on-site power generation systems, as well as battery energy storage systems (BESS) are considered eligible infrastructure if they are associated with the new zero-emission vehicle(s) funded by this Grant Program and on the customer's side of the electrical meter ("Behind-the-Meter").

Note that funding under this NOFO may not be used to purchase or install non-renewable (i.e., non-wind and non-solar) energy-or biodiesel-fueled stationary on-site power generation systems, nor for any infrastructure costs associated with work in front of the electric meter.

Date Posted: 5/20/2024

**D.15**: Are there tax credits available for purchasing zero-emission vehicles?

Answer: 2024 CHDV Grant Program selectees may be eligible for Inflation Reduction Act (IRA) tax credits applicable to certain zero-emission vehicles and infrastructure purchases; namely, the qualified commercial clean vehicle credit provides up to \$40,000 for qualified commercial clean vehicles (with gross vehicle weight ratings of 14,000 pounds or more, otherwise up to \$7,500). Take note that you must buy a commercial clean vehicle from a "qualified manufacturer" to be eligible for this credit. The Treasury Department's list of manufacturers for qualified commercial clean vehicles can be found on the <a href="Internal Revenue Service (IRS)">Internal Revenue Service (IRS)</a> webpage.

In addition, the alternative fuel vehicle refueling property credit provides up to \$100,000 for qualified refueling property. Please see the IRS website for more information on these credits.

Selectees may also be eligible to claim all or a portion of the value of IRA credits using either the new elective pay, and transferability mechanisms introduced by the IRS. For more information, please see the IRS website on elective pay and transferability.

We also recommend searching DOE's Alternative Fuels Data Center offers a listing of federal and state laws and incentives for alternative fuels and vehicles at <a href="https://afdc.energy.gov/laws">https://afdc.energy.gov/laws</a>. For additional incentives, search the <a href="Database of State Incentives for Renewables & Efficiency">Database of State Incentives for Renewables & Efficiency (DSIRE)</a>.

Date Posted: 4/30/2024

**D.16**: Can federal tax credits (e.g., IRA 30C and 45W) be claimed on the replacement vehicle and charging infrastructure funded by CHDV Grant Program funds?

**Answer:** Claiming a tax credit would not trigger the 2024 CHDV Grant Program prohibition regarding stacking funds from federal incentive programs. Please monitor the <u>IRS website</u> for further guidance around how to claim or receive any tax credits.

**D.17**: Which optional components or "add-ons" are eligible for funding through the vocational vehicles sub-program?

**Answer:** Per Section III.D. of the <u>NOFO</u>, the cost of optional components or "add-ons" that significantly increase the cost of the vehicle may not be eligible for funding under the grant. EPA evaluates this on a case-by-case basis by considering whether the replacement vehicle would be similar in form and function to the vehicle being replaced, and thus "add-ons" that alter the form or function of the replacement vehicle would not be eligible. The applicant should provide justification for why any non-standard upgrades or components are needed for the vehicle to operate as needed. An example of an optional component that may be ineligible for funding would be the purchase of a snow-plow to mount on a refuse hauler. Other examples may be leather upholstery or custom paint.

Date Posted: 5/20/2024

**D.18**: Is there a cost sharing or matching fund requirement for this grant program?

**Answer:** Yes. Applicants are subject to a mandatory cost share, as described in Section III.B.1. of the <u>CHDV Notice of Funding Opportunity (NOFO)</u>. Note, the mandatory cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the pervehicle cost caps described in Table 2 of the NOFO. Additionally, applicants are not required to, but may also choose to commit to a voluntary cost share and/or leveraged resources, as described below under Sections III.B.2 and III.B.3 of the <u>NOFO</u>. The EPA will award evaluation points for voluntary cost share and leveraged funding commitments (see Sections IV.C and V.A for more information on evaluation criteria).

**Voluntary cost sharing** is when an applicant voluntarily proposes to legally commit to provide costs or contributions to support the project beyond what is required by the mandatory cost share. Voluntary cost share is subject to the same requirements as the mandatory cost share discussed above. A recipient is legally obligated to meet any proposed voluntary cost share that is included in the approved project budget. If the proposed voluntary cost share does not materialize during the performance period of the grant or cooperative agreement, the EPA may reconsider the legitimacy of the award and/or take other appropriate action as authorized by 2 CFR Part 200.

Leveraged resources or "leveraging" is when an applicant proposes to provide additional resources to support or complement the proposed project which are above and beyond the EPA grant funds that they are requesting. Unlike funding awarded as part of this funding opportunity or voluntary cost shares, these resources do not need to be spent on eligible or allowable costs as listed in Section III.D. Please see Section III.B of the NOFO for more information on the difference between voluntary cost share and leveraged resources. If applicants propose to leverage funds, the EPA expects them to secure the leveraged resources described in their applications. If the proposed leveraging does not materialize during the performance period of the grant or cooperative agreement, the EPA may reconsider the legitimacy of the award and/or take other appropriate action authorized under 2 CFR Part 200.

**D.19**: Is the CHDV Grant stackable with the EPA Clean School Bus (CSB) Rebates?

**Answer:** No. Only non-federal funds may be included in the applicant's mandatory cost share. While an entity that received CSB Program funding in the form of a rebate or grant may also be eligible for the CHDV Grant Program, and therefore may apply to this funding opportunity, federal funds cannot be "stacked" within the same project. Note, however, funding from each program can be used for separate replacement bus projects (e.g. the replacement of different school buses and purchase of associated infrastructure for the different school buses).

Date Posted: 5/20/2024

**D.20**: Can tax credits be claimed as part of the cost share?

**Answer:** No. Tax credits cannot be used as part of an applicant's mandatory or voluntary cost share. However, awardees of this grant are encouraged to claim applicable tax credits in their tax filings. Please monitor the <u>EPA Clean School Bus Tax Credits webpage</u> and the <u>IRS website</u> for further guidance around how to claim or receive any tax credits.

Date Posted: 5/20/2024

**D.21**: May an applicant apply for funding only to install or upgrade charging infrastructure?

**Answer:** No, standalone infrastructure projects are not eligible for funding under the 2024 CHDV Grant Program; however, other sources of Federal, state, or local funding may be available to support ZEV infrastructure. See the Department of Transportation's <u>Federal Funding Programs webpage</u> for other relevant funding opportunities.

Date Posted: 4/30/2024

**D.22**: Can grantees stack funds from other sources (e.g., third-party contributions, other grant programs, tax credits, etc.) with the funding awarded from the 2024 Clean Heavy-Duty Grants?

**Answer:** Applicants may stack private, state, or local funds with Clean Heavy-Duty Vehicles funds. Note, new replacement vehicles purchased with CHDV Grant funds must not be purchased or otherwise subsidized with other federal grant funds. Fleets can use non-federal funding sources as part of their vehicle replacement project, including private, state, and local funds, but must confirm with the source of those funds that they are not pass-through federal funds. Note, a tax credit would not trigger this prohibition regarding stacking funds from federal incentive programs (see Q&A D.19). Please monitor the <a href="IRS website">IRS website</a> for further guidance around how to claim or receive any tax credits.

Date Posted: 4/30/2024

**D.23**: Is there a maximum amount of funds that can be requested in one application for the 2024 CHDV Grant Program?

**Answer:** No. There is not a maximum amount of funds an applicant may request. However, the total amount of funds requested from the CHDV Grant Program and other eligible external funds allocated for the vehicle replacements cannot exceed the cost of the new vehicles and associated charging or refueling infrastructure.

Date Posted: 5/20/2024

**D.24**: Can a grantee cover their entire mandatory cost share with external funding sources, such as state- or utility-awarded funds?

**Answer:** Yes, generally, state and private funds are eligible cost share. Applicants may cover up to their entire mandatory cost share with any combination of external funding sources, if the following conditions are met:

- Cost share is subject to the applicable provisions of 2 CFR § 200.306, Cost sharing or matching.
- Cost share may only be met with eligible and allowable costs.
- For this program, the recipient may not use other sources of federal funds, including pass-through federal funds, to meet either the mandatory or voluntary cost share.

Date Posted: 5/31/2024

Updated D.25: Are there additional programs the EPA recognizes as acceptable training programs for electricians and will the EPA allow exemptions if no Electric Vehicle Infrastructure Training Program (EVITP)-certified electricians are available near the project's location?

**Answer:** Per the Section III.D.4.a.ii of the <u>NOFO</u>: All electricians installing, operating, or maintaining EVSE are required to be certified from the EVITP, or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation.

To request approval for an electrician certification program other than EVITP, send an email with "Alternative CHDV Electrician Certification Program" as the subject line to the CHDV Helpline. In your email, include the certification program's name, website, point of contact, and other pertinent details about the program's requirements. Recipients should request and maintain proof of EVITP certification (or other approved certification program) from their electricians for purposes of project audits. Note that EVITP certification is an eligible project cost. Please see Section III.D.5.f. of the NOFO for more details.

Date Posted: 5/31/2024

**D.26**: Are infrastructure warranties, including extended warranties considered an eligible cost under this program?

Answer: Yes, warranties, including extended warranties, for eligible infrastructure expenses are eligible under the 2024 CHDV Grant Program, per Section III.D.5.f of the NOFO. The proposed budget should provide a detailed breakout of activities and requested funds by budget category (applicants should consult the EPA's Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance). The "Equipment" cost category includes items with a purchase price above \$5,000 per unit, including necessary accessories and services included with the purchase price necessary for the equipment to be operational. Service or maintenance contracts that are NOT included in the purchase price of the vehicle/equipment should not be listed under the "Equipment" budget category: they should be listed under the "other budget category." Equipment service or maintenance contracts (not included in the purchase price) that are procured separately may be subject to competition unless the terms of the equipment warranty require that the original equipment manufacturer service or maintain the equipment for the warranty to be effective. The EPA will evaluate the reasonableness of the project budget (including an extended warranty) based on the applicant's narrative description of the budget and detailed breakout, and justification of requested funding for each work component or task. Extended warranty pricing must be commensurate with appropriate comparable market pricing as well.

Date Posted: 5/31/2024

**D.27**: Can CHDV grantees use their funds to pay for the cab and chassis of a vocational vehicle?

**Answer:** Yes. Replacement vocational vehicle equipment/body components that are similar in form and function to those of the existing vehicle are eligible costs under the 2024 CHDV Grant Program. If additional components or new technologies are required for the replacement vehicle to reproduce the functionality of the existing vehicle, these will be considered on an individual basis during the award selection period. Please refer to Section III.D.3.j of the NOFO and Q&A D.17 for additional details.

Date Posted: 5/31/2024

**D.28**: Are vehicle loans with a municipal interest rate/a municipal loan allowed to finance replacement vehicle purchases under this program?

**Answer:** Yes. For the 2024 CHDV Grant Program, "vehicle loan" is defined as the amount of money that is borrowed to purchase a vehicle. The title to the vehicle must be in the name of the vehicle fleet before the end of the project period, but the vehicle can have a lien on it from the organization making the loan. Grant funds may not be used to lease or rent a vehicle.

Date Posted: 5/31/2024

**D.29**: Is there a target or preferred amount per award?

**Answer:** No, there is not a target or preferred amount per award. The EPA anticipates awarding a total of approximately 40 to 160 grants and/or cooperative agreements under this announcement, ranging from \$500,000 to \$60 million per award; however, the actual award amounts and number of projects awarded under each of the sub-programs and in each EPA Region may differ from the estimated amounts for many reasons, including the number of meritorious applications received and other applicable considerations described in the NOFO. In addition, the EPA reserves the right to make fewer awards than anticipated. Information on the available awards under this program can be found in Section II of the NOFO.

Date Posted: 5/31/2024

New **D.30**: Is there a limit to the amount of the mandatory cost share that can be covered by external funding awards?

**Answer:** There is no limit to what percentage of the cost share can be covered by external funding as long as the standards of 2 CFR Part 200, as applicable, are met. If the external funding is coming from a project partner, such as a utility provider, then the EPA will require a letter of support from this project partner to be included in the program application. The applicant is responsible for all cost sharing expenses in the event that the external funding does not materialize. Please refer to Q&A D.22 and D.24 for additional information on funds from other sources, including the requirement that only non-federal funds may be included in the applicant's mandatory cost share.

Date Posted: 6/17/2024

New **D.31**: Would the cost-share requirement for each category include non-CHDV grant funded payments made by vehicle fleets for new EVs?

Answer: The EPA will fund the EPA cost share percentage of the new vehicle, up to the pervehicle funding cap, as shown in Table 2 of the NOFO. The applicant is responsible for providing or securing the remaining costs. The applicants may use private, state, or local funds to meet these remaining costs (i.e., applicant cost share). Note, the applicant cost share is waived for territory and Tribal applicants, but territory and Tribal applicants are still subject to the per-vehicle cost caps as shown in Table 2. Please refer to Q&A D.22 for additional information on funds from other sources, including the requirement that only non-federal funds may be included in the applicant's mandatory cost share. For more information on Cost Sharing, refer to Section III.B. of the NOFO.

Date Posted: 6/17/2024

New **D.32**: Can funding that's already been committed (e.g., spent on charging infrastructure projects currently under way) be counted as applicants' cost share?

**Answer:** No. As explained in Section III.D.6.g of the <u>NOFO</u>, expenses incurred prior to the project period are not eligible expenses under the 2024 CHDV Grant Program. Funding that has already been spent on a project already underway cannot count towards an applicant's mandatory nor voluntary cost-share.

Date Posted: 6/17/2024

New **D.33**: What percentage of implementation costs can be requested by the applicant?

**Answer:** The EPA will fund up to the total cost of eligible project implementation costs, as defined in Section III.D.5.c. of the <u>NOFO</u>. Project implementation costs are not included in or subject to the per-vehicle funding cost share and caps listed in Table 2, Section III.B.1. of the NOFO. See <u>Q&A</u> D.8 for the definition of project implementation costs and Q&A D.8 for more on project cost requirements.

Date Posted: 6/17/2024

New **D.34**: What if my oldest school buses are 2012/2013? Does that decrease the grant amount?

**Answer:** If a fleet has no eligible engine model year (EMY) 2010 or older buses, EMY 2011 or newer buses that the meet the usage requirements in Section III.D.2 of the <u>NOFO</u> may be replaced. The buses being replaced must be scrapped, sold, or donated by the end of the project period and meet the fleet expansion/disposition requirements detailed in Section III.D.6.k of the NOFO.

Table 2 of the NOFO shows mandatory cost share and caps per-vehicle; these funding amounts are not impacted by the EMY of the vehicles that would be replaced if an applicant is selected for funding.

Date Posted: 6/17/2024

New **D.35**: How are fleet and route analysis consulting costs categorized under this grant program?

**Answer:** Eligible consulting costs are considered project implementation costs and therefore are not included in or subject to the per-vehicle funding cost share and caps listed in Section III.B.1. of the <u>NOFO</u>. Note that applicants must compete contracts for services and products, including consultant contracts, and conduct cost and price analyses, to the extent required by the procurement provisions of the regulations at 2 CFR Part 200; please refer to the NOFO for additional information on procurement requirements.

Finally, note that free technical assistance is available to all CHDV Grant Program applicants via the Joint Office of Energy and Transportation (JOET). JOET can provide assistance on technical assistance services including fleet and route analyses; to request assistance, email <a href="mailto:cleanHDvehiclesTA@NREL.gov">cleanHDvehiclesTA@NREL.gov</a>.

Date Posted: 6/17/2024

New **D.36**: Can an applicant request funding for more chargers than vehicles, e.g., funding for 10 buses and charging infrastructure for 20 buses?

**Answer**: Per-vehicle caps include combined vehicle and infrastructure costs. Grantees have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure.

Date Posted: 6/17/2024

New D.37: How do the cost share requirements and funding caps apply to charging infrastructure? Can applicants cover its cost share with funds spent on infrastructure, or do the funds need to be spent directly on the new vehicle?

**Answer:** The cost share requirements published in Table 2 in Section III.B of the <u>NOFO</u> apply to new zero-emission Class 6 and Class 7 heavy-duty vehicles. There is no similar cost share for eligible electric/hydrogen infrastructure, but the per-vehicle funding caps listed in Table 2 represent combined vehicle-infrastructure funding caps. Recipients have flexibility to determine the split between funding for the vehicle itself and the supporting infrastructure. Stand-alone charging or fueling infrastructure projects are not eligible for funding under the 2024 CHDV Grant Program (Please refer to <u>Q&A</u> D.21 for more information).

Date Posted: 6/17/2024

New **D.38**: Is funding available for transportation of hydrogen fuel?

**Answer:** No. Hydrogen delivery and offsite piping and pipelines are not eligible expenses under the 2024 CHDV Grant Program; however, piping and pipelines within the relevant facility are eligible expenses. Please refer to Section III.D.4 of the NOFO for more details.

Date Posted: 6/17/2024

New **D.39**: Can funding be applied to the outsourcing of personnel rather than the training of internal employees?

**Answer:** Yes. Eligible project implementation costs are defined in Section III.D.5.c of the <u>NOFO</u>. This includes costs directly related to the implementation, management, and oversight of the project, including recipient and subrecipient personnel and benefits, eligible equipment, contractual services, consulting on vehicle deployments, travel, supplies, subgrants and rebates to project partners, and indirect costs. These costs are not included in or subject to the pervehicle funding cost share and caps listed in Table 2 of the NOFO.

Date Posted: 6/17/2024

## **E. Application Process**

**E.1**: I am encountering issues registering for SAM.gov. What should I do if the Federal Service Desk (FSD) is not resolving the issue?

**Answer:** The Federal Service Desk (FSD) is the official government support resource for SAM.gov. While awaiting a response from them, you may want to review the help resources on SAM.gov found here.

**E.2**: Are letters of support from offices of U.S. Senators or House members accepted for the CHDV Grant Program?

**Answer:** The EPA will consider letters of support from supportive stakeholders, including Congressional offices, which demonstrate strong, long-term involvement throughout the project. 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. Applicants should, in their narrative, be clear how these letters are related to specific evaluation criteria. Letters should be addressed to the applicant organization and included as attachments to the application (use the "Other Attachments" form in <a href="Grants.gov">Grants.gov</a>). Letters submitted by partners directly to the EPA will not be will not reviewed or responded to.

Date Posted: 4/30/2024

**E.3**: What is the Assistance Listing Number for the Clean Heavy-Duty Vehicles Program? **Answer:** The Assistance Listing Number (previously called the Catalog of Federal Domestic Assistance, or CFDA, number) for the 2024 Clean Heavy-Duty Vehicles Program is 66.049. *Date Posted:* 4/30/2024

**E.4**: Will submitted applications be publicly available? Will submitted applications be subject to Freedom of Information Act (FOIA) requests?

Answer: In concert with the EPA's commitment to conducting business in an open and transparent manner, copies of applications submitted under this NOFO may be made publicly available on the CHDV website or other public website for a period of time after the selections are announced. The Agency protects competitive proposals/applications from disclosure under applicable FOIA provisions prior to the completion of the competitive selection process. Note, however, that applications submitted under this Notice of Funding Opportunity (NOFO) may be released in part or in whole in response to a FOIA request after completion of the competitive selection process. Therefore, the EPA recommends that applications not include trade secrets or commercial or financial information that is confidential or privileged, or sensitive information, if disclosed, that would invade another individual's personal privacy (e.g., an individual's salary, personal email addresses, etc.). If such information is included, it will be treated in accordance with 40 CFR § 2.203.

Date Posted: 4/30/2024

E.5: Where can I find my SAM.gov Unique Entity ID (UEI)?

**Answer:** For guidance on how to find your SAM.gov UEI, please see the <u>SAM.gov UEI</u> webpage.

Date Posted: 4/30/2024

**E.6**: Can an eligible vehicle that will be replaced appear on more than one application?

**Answer:** Existing vehicles that will be replaced may only appear on one application.

Although, buses listed on a previous funding opportunity's application, but not yet selected, may be listed on the application for the current funding opportunity. If selected for funding, changes may need to be made to either the grant project or the rebate application to ensure that distinct buses are replaced under each funding opportunity.

**E.7**: In a nutshell, how does the application process work?

**Answer:** The Notice of Funding Opportunity (NOFO) describes all the project eligibility and application submission information. The NOFO, as well as a sample project narrative and all related materials (including standard forms (SF) 424, SF 424A, EPA Form 4700-4, and the EPA form 5700-54 from Grants.gov under Funding Opportunity Number EPA-OAR-CHDV-24-06) may be found on EPA's CHDV Grant Program webpage. The project narrative and any supporting documents should be attached to the application package, and the full package submitted to the EPA through Grants.gov. You will find instructions to submit your application through Grants.gov in Section IV of the NOFO.

Please refer to the application submission checklist in Appendix B to ensure that all required information is included in your package. Application packages must be submitted electronically to the EPA through Grants.gov no later than Thursday, July 25, 2024, at 11:59 p.m. Eastern Time (ET) in order to be considered for funding.

If your organization is not currently registered with Grants.gov, please begin the registration process as soon as possible since the process can take several weeks or more. Please note that the registration process also requires that your organization have a Unique Entity Identifier (UEI) and a current registration with the System for Award Management (SAM.gov). Please visit SAM.gov to check the status of your organization's SAM registration.

**SAM.gov** registration and **UEI** number: If you have never done business with the Federal Government, you will need to first obtain a login.gov account. This will enable you to register with SAM.gov to obtain a Unique Entity Identification number (UEI), a 12-character alphanumeric ID. The UEI is required to register in Grants.gov and complete the grant application. Applicants must ensure that all registration requirements are met to apply for this opportunity through Grants.gov and should ensure that all such requirements have been met well in advance of the application submission deadline.

- If you have previously done business with the Federal Government, you may verify your
  entity status using your government issued UEI, to determine if your registration is
  active. SAM.gov requires you to renew your registration every 365 days. Applicants
  should also ensure that their SAM.gov registration includes a current e-Business (EBiz)
  point of contact name and email address, as this information is critical for Grants.gov
  Registration and system functionality.
- Contact the Federal Service Desk for help with your SAM.gov account, to resolve technical issues or chat with a help desk agent: (866) 606-8220. The Federal Service desk hours of operation are Monday – Friday, 8am – 8pm ET.
- The process to get a new or update a SAM.gov account can take significant time so any potential applicants should start this process as soon as possible.

**E.8**: When are applications due?

**Answer:** The deadline for submitting applications electronically to the EPA through <u>Grants.gov</u> is Thursday, July 25, 2024 at 11:59 p.m. Eastern Time (ET). Late applications will not be considered for funding. The EPA recommends not waiting until close to the deadline to submit to reduce the risk of technical or other issues causing a user to miss the application period.

**E.9**: What should I do if the "Apply" button is grayed out in Grants.gov?

Answer: If the submit button is grayed out, it may be because you do not have the appropriate role to submit in your organization. Only person(s) with the Authorized Organization Representative (AOR) role can submit applications in Grants.gov. You may wish to review the <a href="Intro to Grants.gov-Understanding User Roles">Intro to Grants.gov-Understanding User Roles</a> and <a href="Learning Workspace">Learning Workspace</a> — User Roles and <a href="Workspace Actions">Workspace Actions</a> for details on this important process. If you do have the appropriate role to submit in your organization and the button is still grayed out, please contact the Grants.gov Support Center for assistance at <a href="support@grants.gov">support@grants.gov</a> or 1-800-518-4726.

Date Posted: 4/30/2024

Date Posted: 4/30/2024

**Updated E.10**: Can a State apply for CHDV Grant Program funding and subaward to other entities through its own grant program?

**Answer:** Grant recipients may make subawards to subrecipients to carry out a portion of the grant project; in such cases, the grant recipient is also known as a pass-through entity. Subawards establish a financial assistance relationship under which the subrecipient's employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. As noted in the NOFO Appendix A, Section III, subrecipients are subject to the same federal requirements as the pass-through entity. Under this competition, a nonfederal entity is eligible to receive a subaward even if it is not eligible to receive a grant from the EPA directly. Please also review pages 1 and 2 of the NOFO, along with Section I.F., for additional information relevant to subawards.

Date Posted: 5/20/2024

### F. Selection

F.1: Will projects located in nonattainment and maintenance areas be prioritized?

**Answer:** Applicants are evaluated based on the criteria defined in Section V.A of the Notice of Funding Opportunity (NOFO). Nonattainment and/or maintenance areas are one component of the Environmental Justice and Disadvantaged Communities evaluation criterion. Please see and Section I.C of the NOFO for the full definition of Environmental Justice and Disadvantaged Communities.

Date Posted: 4/30/2024

**F.2**: How do the CHDV Grants define "EJ and Disadvantaged Communities"?

**Answer:** The CHDV Notice of Funding Opportunity defines EJ and Disadvantaged Communities as geographic areas that meet **both** of the following criteria:

1. Any county that includes at least one of the following:

A. Any census tract that is included as disadvantaged in <u>Climate and Economic Justice</u> Screening Tool (CEJST) version 1.0; and/or

- B. Any census block group that is at or above the 90th percentile for any of <u>EJScreen's Supplemental Indexes</u> when compared to the nation or state; and/or
- C. Any geographic area within Tribal lands and indigenous areas as included in EJScreen

#### AND

- 2. Any county that meets at least one of the following criteria:
- A. 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 <u>EPA's Green Book</u> of Nonattainment Areas for Criteria Pollutants:
- a. PM2.5 1997 Standard (Annual: 15 μg/m3, 24-hour: 65 μg/m3)
- b. PM2.5 2006 Standard (Annual: 15 μg/m3, 24-hour: 35 μg/m3)
- c. PM2.5 2012 Standard (Annual: 12 µg/m3, 24-hour: 35 µg/m3)
- d. Ozone (O3) 2008 Standard (8-hour: 0.075ppm)
- e. Ozone (O3) 2015 Standard (8-hour: 0.070ppm)
- B. Contains at least one census tract where the modeled ambient diesel PM concentration from the 2019 Air Toxics Screening Assessment 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 is a screening tool and there are limitations and uncertainties associated with it; see: AirToxScreen Limitations.

Date Posted: 4/30/2024

### F.3: Are the EPA funds being allocated on a regional or state basis?

**Answer:** To ensure geographic diversity of projects, the EPA anticipates awarding the approximate amounts listed in Table 1 of the CHDV <u>Notice of Funding Opportunity (NOFO)</u> within each of the EPA's ten Regions. Note, these funding amounts are subject to the availability of funds, the quantity and quality of applications received, agency priorities, and other applicable considerations.

Date Posted: 4/30/2024

### **F.4**: How are applicants selected for funding?

Answer: Applications will first be evaluated against the threshold factors listed in Section III.C of the Notice of Funding Opportunity (NOFO) and the technical factors listed in Section III.D of the NOFO. Only those applications which meet all the threshold and technical factors will move on to the next step of the review process. Applications that meet all of the threshold and technical factors will then be reviewed by Regional review panels using the evaluation criteria in Section V.A of the NOFO. Each application will be given a numerical score and will be rank ordered by the review panel. Preliminary funding recommendations will be provided to the EPA selection official based on these reviews and rankings. Final funding decisions will be made by the EPA selection official for each sub-program based on the rankings, the statutory requirement to award \$400 million to nonattainment projects, the geographic distribution and Tribal and territories set-aside as described in Section II.C., and other factors as described below in Section V.C.

New F.5: Are applications proposing to scrap, sell, or donate an EMY 2011 or new vehicle scored less favorably than those replacing EMY 2010 and older vehicles?

**Answer:** No. The CHDV Grant Program does not prioritize applicants replacing older engine model year (EMY) vehicles. Please refer to Section V.A of the <u>NOFO</u> for more information on evaluation criteria. See Section III.D.2.c. of the NOFO for eligible existing vehicles requirements.

Date Posted: 6/17/2024

**New F.6**: Will there be reporting requirements after funds are awarded?

**Answer:** Yes. Quarterly progress reports and a detailed final report will be required. Additionally, applicants will be required to submit a combined eligibility and scrappage statement. A sample combined eligibility scrappage statement will be available at the <u>Clean Heavy-Duty Vehicles webpage</u>. Reporting requirements are explained in Section VI.B. of the NOFO.

Date Posted: 6/17/2024

# G. Scrappage, Sale, or Donation of Existing Vehicles

**G.1**: Can CHDV funds be used to purchase new vehicles without replacing existing vehicles? Can funding be used to expand a fleet?

**Answer:** No, CHDV funding cannot be used for the purchase of vehicles to expand a fleet. The vehicle being replaced must be scrapped, sold, or donated by the end of the project period. Note, disposition options may be limited by the vehicle model year of the existing vehicle. Please see Section III.D of the NOFO for more details on disposal requirements.

Date Posted: 4/30/2024

**G.2**: Is there a requirement that the new vehicle be owned by the same fleet that owned the old vehicle?

**Answer:** No. There is no requirement that the new vehicle be owned by the same fleet that owned the old vehicle. If selected for funds by the EPA, an applicant organization (i.e., a school district), could receive the funds and would be responsible for fulfilling the program requirements. The applicant can enter into a contractual arrangement with a fleet regarding ownership of specific vehicles and passing award funds through to the fleet. The EPA will not be involved in this contractual arrangement.

Date Posted: 4/30/2024

**G.3**: When must existing vehicles be scrapped, sold, or donated?

**Answer:** Existing vehicles must be scrapped, sold, or donated, in accordance with the disposition requirement for the vehicle model year, by the end of the project period. Please refer to Section III.D of the <u>NOFO</u> for more details on disposal requirements.

### **G.4**: Is there a scrappage requirement?

**Answer:** Existing vehicles being replaced must be scrapped, sold, or donated. Note, disposition options may be limited by the vehicle model year of the existing vehicle. Please see Section III.D of the NOFO for more details on disposal requirements. Scrappage is a key component of this program as it reduces the number of older vehicles in use and their resulting emissions.

Date Posted: 4/30/2024

**G.5**: If a grantee possesses only 2011 or newer engine model year (EMY) in their fleet, and they choose to sell the existing vehicle(s), can the grantee sell the vehicle(s) to any entity they choose?

**Answer:** If no model year 2010 or older vehicles are available, an EMY 2011 or newer vehicle that the meets the usage requirements (see Section III.D.2 of the <u>NOFO</u>) may be scrapped, sold, or donated) per the instructions under "Fleet Expansion" in Section III.D. of the NOFO. If sold or donated, the grantee may sell or donate their vehicles to any entity and must retain documentation of that transaction.

Date Posted: 5/20/2024

#### **G.6**: Can a grantee keep the body of a vehicle they scrap?

**Answer:** The engine block and chassis of scrapped vehicles must be permanently disabled within the grant period of performance using the methods described in Section III.D.5.k of the NOFO. Other acceptable scrappage methods may be considered and will require prior written approval from the EPA project officer. Vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced.

Additional information on scrappage reporting requirements can be found in Section VI.B of the NOFO.

Date Posted: 5/31/2024

### **New G.7**: Can the grantee auction the vehicles that are being replaced?

**Answer:** The vehicles being replaced must be scrapped, sold, or donated by the end of the project period. Note, disposition options may be limited by the engine model year of the existing vehicle (see Section III.D.2.c of the <u>NOFO</u>). Existing vehicles eligible for sale may be auctioned within the project period.

Date Posted: 6/17/2024

### H. Terms & Conditions

### H.a. General

**H.a.1**: What standard must chargers meet?

**Answer:** All AC Level 2 charging infrastructure purchased under this program must be <u>EPA</u> <u>ENERGY STAR</u> certified at the time of purchase. The EPA strongly recommends that all other charging infrastructure (e.g., DC Fast chargers) funded under this program be listed by Nationally Recognized Testing Laboratory (NRTL).

**H.a.2**: Are there any public access requirements for EV charging stations for Class 6 & Class 7 school buses funded by this program?

**Answer:** No. EV charging stations funded through this program do not need to meet any public access requirements. Please see the Build, America Buy America requirements in Section VI.C. of the NOFO for additional information on infrastructure eligibility and requirements. In addition, note that making charging or fueling infrastructure publicly accessible is an example of how applicants may demonstrate the potential for project sustainability under the Project Sustainability criterion and increase the competitiveness of the application (see Section IV.C.6 in the NOFO for details).

Date Posted: 5/20/2024

**H.a.3**: Is there a specific length of time (i.e., months or years) that grantees must keep new ZE replacement vehicles or new charging/fueling infrastructure components purchased with CHDV grant funds?

**Answer:** Yes. At a minimum, grantees must keep, use, and maintain their awarded vehicles and applicable infrastructure in accordance with all requirements set forth in the NOFO for the duration of the project period. The estimated project period for awards resulting from this solicitation will be up to 24 months, however, initial project periods of up to 36 months will be allowed where justified by the activities, timeline, and milestones detailed in the workplan. The estimated project start date for awards is January 2025.

Additionally, note that project sustainability is an application evaluation criterion, and, under the School Bus Sub-Program, the EPA will evaluate factors such as a commitment that the new school buses will serve the district(s) listed in the application for a minimum of five years.

Date Posted: 5/31/2024

**H.a.4**: How does the project period impact the payment terms (duration) for a loan?

**Answer:** Conventional vehicle loans or financing are permitted for the purchase of replacement vehicles. The applicant's proposal should discuss who will hold registration, and who will hold title to vehicles purchased with grant funds. In most states, a lienholder holds the vehicle's title until the loan is paid off. To satisfy the terms and conditions of the grant, recipients must demonstrate proof of purchase and that any/all cost share requirements have been met. Grant funds may not be used to lease or rent vehicles.

Date Posted: 5/31/2024

New H.a.5: Will the EPA define the terms or requirements of conventional purchase loans?

**Answer:** No. The EPA does not define the terms of a conventional purchase loan.

Date Posted: 6/17/2024

New H.a.6: What does the CHDV Grant Program mean by a "reduced service" vehicle?

**Answer:** A reduced service vehicle is a vehicle within a fleet that has a lower usage rate due to the vehicle's age.

For fleets that move older vehicles to "reduced service," if a EMY 2011 or newer diesel or nondiesel ICE-powered vehicle is being replaced, that vehicle may be retained and moved to reduced service and an older, reduced-service EMY 2010 or older vehicle of the same type may be scrapped in its place (or, if no model year 2010 or older vehicles are available, a reduced-service EMY 2011 or newer vehicle may be scrapped, sold, or donated). The EMY 2011 or newer vehicle must meet the relevant usage requirements, but the older reduced-service vehicle being scrapped does not.

Date Posted: 6/17/2024

New **H.a.7**: What are the "program income requirements" mentioned in Section III.D.6.k of the NOFO?

**Answer:** Under the 2024 CHDV Grant Program, program income requirements apply to EMY 2011 or newer existing vehicle sales and the sale of scrapped vehicle parts such as disabled engines, disabled vehicles, and disabled equipment. The recipient is authorized to retain program income earned during the project period. Program income shall be added to funds committed to the project by EPA and/or used to finance the applicant's vehicle cost-share. Note that a report on the amount of program income earned during the award period must be submitted with the Final Federal Financial Report, Standard Form 425.

Date Posted: 6/17/2024

New H.a.8: Is portable charging equipment an eligible infrastructure cost?

**Answer:** No. Only permanent infrastructure is eligible for funding under the 2024 CHDV Grant Program.

Date Posted: 6/17/2024

New **H.a.9**: Is there a requirement that infrastructure funded under this program serves only the new heavy-duty vehicles funded under this same program, or can it also support other vehicles?

**Answer:** EVSE or hydrogen infrastructure purchased with CHDV Grant Program funds must serve the vehicles funded under this program; however, the infrastructure can serve other vehicles too. Applicants are encouraged to consider broader community electric charging and hydrogen fueling needs, for example, making charging or fueling infrastructure publicly accessible. Applications that indicate plans for such efforts will receive points under the project sustainability criterion (see Section IV.C. of the NOFO for details of the project sustainability criterion).

Date Posted: 6/17/2024

**New H.a.10**: What is the project period for this funding opportunity?

**Answer:** The estimated project period for awards resulting from this solicitation is up to 24 months. However, initial project periods of up to 36 months will be allowed where justified by the activities, timeline, and milestones detailed in the workplan. The estimated project start date for awards is January 2025.

Date Posted: 6/17/2024

New H.a.11: Will the EPA verify that vehicles being replaced have served the same district/area that new vehicles will serve, or otherwise include where vehicles being replaced have served in the evaluation of applications?

**Answer:** EPA strongly encourages, but does not require, vehicles being replaced to have served the same district as new replacement vehicles would serve (see Section III.D of the NOFO for details on eligible vehicles, including usage requirements for vehicles being

replaced). Please refer to Section V.A of the <u>NOFO</u> for details on evaluation criteria for applications.

Note that if selected for funding, then grantees are required to complete quarterly progress reports and a detailed final report. In these reports, grantees must state the State, County, City, Zip Code, and Percent of Time Operated in County for each new replacement vehicle. Reporting requirements are explained in Section VI.B. of the NOFO.

Date Posted: 6/17/2024

New H.a.12: Is there a description of the Electric Utility Partnership Template with guidance on what an applicant should due if they have issues with submitting this form ahead of the application due date?

**Answer:** The intent of the Electric Utility Partnership Template listed as a supplemental application form for the 2024 CHDV Grant Program is to ensure awareness of all parties involved in a potential new vehicle project that would include electric vehicles. This document is not binding, meaning that applicants do not need to complete a full utility analysis or otherwise fully commit to proceeding with the potential new bus project prior to being selected for funding.

If applicants are unable to complete the cost estimate, scope of utility upgrades, and/or time estimate on the required Electric Utility Partnership Template by the application deadline, but have been able to complete the rest of the template, including all signatures, a partially completed form can be submitted with the intent to complete the form by award notification, if selected.

Similarly, if an applicant has not received a response from their local utility(ies) after repeated attempts to discuss the Utility Partnership Template, then they may submit the document with signatures from all parties involved in the application except for the utility, with the understanding that there will be continued outreach with the utility after the application deadline. For applicants tentatively selected, the EPA will reach out during application review to request an updated copy of the Template that includes all required signatures. The applicant should also email the CHDV Helpline with the following information: name of the utility, name of utility point of contact they've been working with (or attempting to work with), and information on when the applicant attempted to contact the utility about the Partnership Template with no response.

The Utility Partnership Template can be found at <a href="https://www.epa.gov/clean-heavy-duty-vehicles-grant-program/clean-heavy-duty-vehicles-grant-program/">https://www.epa.gov/clean-heavy-duty-vehicles-grant-program/</a>#AD

Date Posted: 6/17/2024

New H.a.13: Can CHDV applicants also apply for the Joint Office's Clean Bus Planning Awards?

**Answer:** Yes. 2024 CHDV Grant Program applicants may also apply to the Joint Office of Energy and Transportation's <u>Clean Bus Planning Awards program</u>. 2024 CHDV Grant Program applicants that have already received a Clean Bus Planning Award at the time of application should describe their Clean Bus Planning Award as it relates to the project readiness criterion described in Section V.A. of the NOFO.

Date Posted: 6/17/2024

New H.a.14: Is the EPA Grants Management Training required before submitting an application?

**Answer:** No. However, if selected for award, those recipients who are new to receiving EPA assistance agreements must complete <u>EPA Grants Management Training for Applicants and Recipients</u> and the training on <u>How to Develop a Budget</u>. See the EPA Solicitation Clauses linked under Section I.F. of the <u>NOFO</u> and <u>RAIN-2024-G01</u>. While only required for new EPA grantees, EPA encourages all applicants to take these trainings.

Date Posted: 6/17/2024

New H.a.15: Is the EPA requiring that licensed electricians complete the Energy Storage and Microgrid Training and Certification Program?

**Answer:** No. However, per Section 3.D. of the <u>NOFO</u>, all electricians installing, operating, or maintaining EVSE are required to be certified from the Electric Vehicle Infrastructure Training Program (EVITP), or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation. For projects requiring more than one electrician, at least one electrician must meet the requirements above.

The EPA encourages all electricians and other personnel working on new vehicle deployment projects to undergo relevant training to ensure safety and project functionality

Date Posted: 6/17/2024

### H.b. Build America, Buy America (BABA)

H.b.1: Are school buses subject to BABA?

Answer: No.

Date Posted: 4/30/2024

H.b.2: Does Build America, Buy America Act (BABA) apply to the CHDV Program?

Answer: Yes, the CHDV Grant Program is subject to the requirements of Section 70912(5) of the Build America, Buy America Act (BABA), which requires that applicants apply a Buy America preference to funding under this program. Pursuant to the Statute, the Buy America preference applies to all Federal financial assistance where funds are appropriated or otherwise made available and used for a project for infrastructure. 2 CFR part 184 clarifies that infrastructure encompasses, at a minimum, the "structures, facilities, and equipment" for projects including roads, highways, and bridges; public transportation; and utilities. Infrastructure also includes structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging.

**H.b.3**: Has the EPA requested a Build America, Buy America (BABA) waiver for vocational vehicles replacements funded through the CHDV Grant Program? Where and when will the EPA provide additional guidance on projects subject to BABA provisions?

**Answer:** Applicants to the Vocational Vehicles Sub-Program are advised to apply with procurement plans subject to BABA provisions, as the EPA cannot guarantee future applicable BABA program waivers for vocational vehicles. Project-level waivers may be applicable depending on applicable factors. Please monitor the <a href="EPA's Build America">EPA's Build America</a>, Buy America website for updates regarding EPA's general applicability waivers and for information on applying for project level waivers.

Date Posted: 5/31/2024