

2024 Diesel Emissions Reduction Act (DERA) Tribal and Territory Grants Notice of Funding Opportunity (NOFO)



Grant Webinar Information Session U.S. Environmental Protection Agency (EPA) Office of Transportation and Air Quality





Overview of the Diesel Emission Reduction Act (DERA) Program

2024 DERA Tribal and Territory Grant Program NOFO

Eligibility Requirements

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Application Evaluation Process

Next Steps on How to Apply and Resources

Important Dates and Summary

Overview of the Diesel Emission Reduction Act (DERA) Despite EPA's diesel engine and fuel standards for new engines, the nearly eight million legacy diesel engines already in use continue to emit large amounts of NOx and PM2.5, which contribute to serious public health problems, including asthma, lung cancer and various other cardiac and respiratory diseases.

The DERA program, originally authorized under the Energy Policy Act of 2005, was reauthorized in the Diesel Emission Reduction Act of 2010 and in the Consolidated Appropriations Act, 2021. DERA enables EPA to offer funding to accelerate the upgrade and turnover of legacy diesel fleets.

The DERA legislation emphasizes maximizing health benefits, serving areas of poor air quality, such as non-attainment areas for PM and ozone, and conserving diesel fuel.

DERA supports environmental justice by prioritizing emissions reductions in areas receiving disproportionate impacts, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.



Overview of DERA Grant Programs

State Grants

- EPA allocates DERA funds to eligible U.S. states and territories for the establishment of diesel emissions reduction programs.
- <u>https://www.epa.gov/dera/state</u>

National Grants

- Program solicits applications for projects that achieve significant reductions in diesel emissions and exposure, particularly from fleets operating in designated poor air quality areas.
- <u>https://www.epa.gov/dera/national</u>

Tribal and Territory

- Program solicits applications from Tribal governments (or intertribal consortia), Alaska Native Villages, and territory governments for projects that achieve reductions in diesel emissions and exposure.
- Note: The DERA Tribal and Territory Grants program was formerly known as the DERA Tribal and Insular Area Grants program and changed in FY2024 in response to partner feedback.
- www.epa.gov/dera/tribal-and-territory



Tribal and Territory Grants Program

- The United States maintains a government-to-government relationship with the 574 federally recognized Native American Indian tribes and Alaska Native entities
- Recognizing that Tribes and territories have various administrative, technical, and financial considerations that other National grant program applicants may not, EPA has established a separate funding opportunity with flexibilities to address the unique considerations of Tribal and territory applicants so they can compete for DERA funds separately and implement diesel emissions reduction projects.
- EPA's Tribal DERA competition was established in 2014 and the territory program (formerly known as the 'Insular Area' program) was added in 2021.



2024 DERA Tribal and Territory Grant Program NOFO Details



2024 **DERA Tribal and** Territory Grant Program **Overview**



EPA anticipates awarding approximately **\$9 million** in DERA funding under this FY24 Tribal and Territory Notice of Funding Opportunity (NOFO): **\$8** million for Tribes and **\$1 million for territories** available at www.epa.gov/dera/tribal-and-territory.

EPA anticipates that approximately **12 to 18** grants or cooperative agreements to Tribal governments (or intertribal consortia) or Alaska Native Villages and **3 to 5** grants or cooperative agreements to territory government entities, subject to the availability of funds, the quantity and quality of applications received, and other applicable considerations.

Eligible diesel vehicles, engines, and equipment may include buses, heavyduty highway vehicles, marine engines, locomotives, and nonroad engines, equipment, or vehicles.

Applications are due **December 6, 2024, at 11:59 p.m. ET** via Grants.gov.

NOTE: The 2024 DERA Tribal and Territory NOFO is the first funding opportunity since the FY2022 DERA Tribal and Insular Area NOFO. EPA did not offer a DERA Tribal and Territory funding opportunity program during calendar year 2023.



Eligible Applicants Who can apply?

Federally recognized Tribal governments (or intertribal consortia), Alaska Native Villages, or government agencies of the U.S. Virgin Islands, Guam, American Samoa, and Commonwealth of the Northern Mariana Islands, which have jurisdiction over transportation or air quality.

The DERA Tribal and Territory program includes the following variations from the DERA National program:



2. Less Stringent Eligibility Requirements for Vehicles & Equipment



Note: Although funds are offered under a single funding opportunity, Tribal applicants only compete against other Tribal applicants, and territories only compete against other territories.



Application Submission Limit

Application Funding Limit: Applications which request EPA assistance funds, per application, in excess of these amounts, are not eligible and will not be reviewed.

- Tribal governments (or intertribal consortia) or Alaska Native Villages <u>must not exceed</u> <u>\$800,000</u>
- Territory government entities **must not exceed \$400,000**.

Multiple Application Submission Limit: Applicants cannot submit more than two applications to the EPA under this solicitation. If an applicant submits surplus applications, the EPA will contact the applicant to determine which application(s) to withdraw. In the absence of direction from the applicant, the EPA will review the most recent applications and deem the other application(s) ineligible.

Duplicate Application Restriction: Applicants cannot include the same activities in multiple applications. If an applicant submits more than one application that requests funding for the same project/activities, the applicant will be contacted prior to the EPA review of any of the applications to determine which application(s) the applicant will withdraw from the competition. In the absence of direction from the applicant, the EPA will review the most recent applications and deem the other application(s) ineligible.



Eligible Diesel Emissions Reduction Solutions

el	Certified Vehicle and Equipment Replacements	Certified Engine Replacement	Certified Remanufacture Systems
	Verified Idle Reduction Technologies	Verified Retrofit Technologies	Clean Alternative Fuel Conversions
		Verified Aerodynamic Technologies and Low Rolling Resistance Tires	



Eligible Vehicles, Engines & Equipment

May include, but are not limited to:

- Buses;
- Class 5 Class 8 heavy-duty highway vehicles;
- Marine engines;
- Locomotive engines; and
- Non-road engines, equipment or vehicles used in: Construction; Handling of cargo (including at a port or airport); Agriculture; Mining; or Energy production (including stationary generators and pumps)



Ownership, Usage, and Remaining Life

The existing vehicle must be fully operational.

The participating fleet owner must have owned and operated the vehicle during the 2 years prior to upgrade.

The existing vehicle must have at least 2 years of remaining life at the time of upgrade. Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding.

Highway Usage: **Tribal applicants:** 5,000 miles/year during 2 years prior to upgrade. **Territory applicants:** 1,000 miles/year during the 2 years prior to upgrade.

- •Mileage of two or more units may be combined to reach the thresholds where two or more units will be scrapped and replaced with a single unit.
- •If an applicant can demonstrate that a certified highway engine/vehicle is being used in a predominately nonroad application (e.g., firetrucks or utility trucks that idle for long periods to power auxiliary apparatus), engine operating hours as defined in "nonroad usage" may be used for application eligibility purposes.

Nonroad, Locomotive and Marine Usage:

- Agricultural Pumps: 250 hours/year during 2 years prior to upgrade.
- All Other Nonroad Engines: 300 hours/year during 2 years prior to upgrade.
- Locomotive and Marine Usage: 500 hours/year during 2 years prior to upgrade.

Documentation

Requirements: Participating fleet owners must attest to the ownership, usage, and remaining life requirements in a signed eligibly statement. The documentation is not required at the time of application but is required if the project is selected for funding. A sample eligibility statement may be found at https://www.epa.gov/dera/t ribal-and-territory



Project Eligibility: Medium and Heavy-Duty Truck, Transit Bus, and School Bus

♣EPA

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction , Tires, or Aero- dynamics	Vehicle or Engine Replacement: EMY 2021+ (2017+ for Drayage)	Vehicle or Engine Replacement: EMY 2021+ Zero Emission ² or Low-NO _x ³	Clean Alternative Fuel Conversion
older - 2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 - 2009	No	No	Yes	Yes ¹	Yes	Yes	Yes
2010 - newer	No	No	No	Yes ¹	No	Yes	Yes

¹Auxiliary power units and generators are³not eligible on vehicles with EMY 2007 or newer.

²Eligible fuel cell projects are limited to hydrogen fuel cell engine replacements for eligible urban transit buses, shuttle buses and drayage trucks, and hydrogen fuel cell vehicle replacements for eligible urban transit buses, shuttle buses, and drayage trucks.

³ Please see the Low-NO_x Engine Factsheet found on the <u>DERA Tribal and Territory Grants</u> website for guidance on identifying engines certified to meet CARB's Optional Low NO_x Standards.

Project Eligibility: Nonroad Engine

	Vehicle/Equipment Replacement						
Current Engine Tier	Com	pression Ign	ition	Spark Ignition	Zero Emission	Verified Retrofit	
i i ci	Tier 0-2 Tier 3-4i Tier 4 Tier 2			Netront			
Unregulated – Tier 2	No Yes ¹ Yes		Yes	Yes	Yes		
Tier 3	No	No	Yes	Yes	Yes	Yes	
Tier 4	No	No	No	No Yes		No	
	Engine Replacement ³						
Current Engine Tier	Com	pression Ign	ition	Spark Ignition	Zero	Verified Engine	
	Tier 0-2	Tier 3-4i	Tier 4	Tier 2	Emission ²	Upgrade	
Unregulated – Tier 2	No	Yes	Yes	Yes	Yes	Yes	
Tier 3	Tier 3 No No Yes		Yes	Yes	Yes	Yes	
Tier 4	No	No No No		No	Yes	No	

1 Tier 1, Tier 2, Tier 3 and Tier 4 vehicles, equipment, and engines may be used only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis as defined in the NOFO.

2 Eligible fuel cell projects are limited to hydrogen fuel cell equipment replacements for eligible terminal tractors/yard hostlers, stationary generators, and forklifts. Fuel cell engine replacement is not eligible. 3 Stationary generators in the Alaska Native Villages are eligible for replacement with certified marine engines.

Project Eligibility

Engine	Engine Horsepower		Compression Ignition					Certified Re-	Verified
Category			Tier 1-2	Tier 3	Tier 4	Spark Ignition	Zero Emission ²	manufacture System ³	Engine Upgrade
C1, C2	<803	Un-regulated – Tier 2	No	Yes	No	Yes	Yes	Yes	Yes
C1, C2	≥804	Un-regulated – Tier 2	No	Yes ¹	Yes	Yes	Yes	Yes	Yes
C1, C2	<803	Tier 3	No	No	No	Yes	Yes	No	No
C1, C2	≥804	Tier 3	No	No	Yes	Yes	Yes	No	No
C1, C2	≥804	Tier 4	No	No	No	No	No	No	No
C3	All	Un-regulated - Tier 2	No	Ýès	No	No	No	No	No
С3	All	Tier 3	No	No	No	No	No	No	No

¹Tier 3 engines may be used for engine replacement with approved best achievable technology analysis. Over 800 HP, Tier 3 engines are not eligible for full vessel replacement.

²Fuel cell engine and vessel replacements are not eligible.

³Some marine engine projects may be subject to the restriction on mandated measures.

⁴Stationary generators in the Native Villages are eligible for replacement with certified marine engines.

Project Eligibility

Current	En	gine & Lo	comotive Repl	acement	Verified	Idle- Reduction ² Technology	Certified Remanufacture System⁴	
Locomotive Tier	Tier 0–2+	Tier 3	Tier 4	Zero Emission ¹	Retrofit			
Unregulated - Tier 2+	No	Yes ³	Yes	Yes	Yes	Yes	Yes	
Tier 3	No	No	Yes	Yes	Yes	Yes	Yes	
Tier 4	No	No	No	No	No	Yes	No	

¹Fuel cell engine and locomotive replacements are not eligible.

²Automatic engine start-stop technologies are only eligible to be installed on locomotives currently certified to Tier 0 or unregulated, subject to the restriction on mandated measures.

³Tier 3 engines may be used for engine replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis. Tier 3 is not eligible for locomotive replacement.

⁴Some locomotive engine projects may be subject to the restriction on mandated measures.



Best Achievable Technology

Applicants replacing nonroad, marine, and locomotive engines are expected to use Tier 4 engines if Tier 4 engines with the appropriate physical and performance characteristics are available.

Best Achievable Technology Analysis Requirements: If selected for funding, applicants will be required to submit a best achievable technology analysis to EPA for approval, as defined in the NOFO, before Tier 3 or Tier 4i engines can be purchased with grant funds.

The analysis must be prepared by the engine manufacturer or installer. Costs for engineering analysis may be included in the project budget.



Funding Restrictions

DERA funds cannot be used for the following activities, as defined in the NOFO

- Federal matching funds
- Expenses incurred prior to the project period
- Emissions testing
- Fueling infrastructure
- Federally mandated measures
- Leasing
- Fleet Expansion (i.e. scrappage is required)
- Replacement retrofit technologies

Eligible and ineligible project costs are further defined in the NOFO.



Build America, Buy America Requirements

What is Build America, Buy America (BABA)?

- Certain infrastructure projects are subject to BABA provisions of the Bipartisan Infrastructure Law (BIL), also known as the Infrastructure Investment and Jobs Act (IIJA)
- BABA requires items that are predominantly iron and steel, manufactured products, and construction materials used in federal infrastructure projects be produced in the U.S.

How Does BABA Impact the 2024 DERA Tribal & Territory Program?

The 2024 DERA Tribal & Territory Grant Program is subject to BABA, which requires that applicants apply a Buy America preference to Federal financial assistance projects where funds are appropriated or otherwise made available and used for a project for infrastructure. Please see
 EPA's Build America, Buy America website for information and updates regarding EPA's general applicability waivers and on how to apply for project level waivers.



2024 DERA Tribal & Territory Grant Program Application Evaluation Process



SEPA Application Evaluation Process

Step 1:

Threshold Criteria Review

Applicant must meet threshold criteria to move on to Step 2 □ Application submitted by deadline via Grants.gov.

- Applications must support Goal 1, "Tackle the Climate Crisis" Objective 1.1, "Reduce Emissions that Cause Climate Change," per EPA's Fiscal Year (FY) 2022-2026 Strategic Plan
- Applications which request EPA assistance funds above the amounts specified in Section II.B. of this NOFO are not eligible and will not be reviewed.
- □ Applicants cannot submit more than two applications.
- Applications must meet requirements as defined in the NOFO to be considered eligible.

SEPA Application Evaluation Process

Step 2: Evaluation Criteria

Applicants should explicitly address these criteria as part of their application package submittal in the project narrative, following the content requirements set forth in the NOFO. **Evaluation Criteria**

Project Summary and Approach

Goods Movement

Environmental Justice and Disadvantaged Communities

Project Sustainability

Climate Change Adaptation

Workforce Development

Environmental Results – Outputs, Outcomes, and Performance Measures

Programmatic Capability and Past Performance

Budget

Application Fleet Description (use DERA Supplemental Application Template – EPA Form 5900-681)

SEPA Application Evaluation Process

Step 3:

Selection and Notification

Anticipated Timing for Notification of Selection: February 2025 to March 2025 Applications will be reviewed by two separate panels.

In making the final funding decisions, the EPA selection official may also consider geographic distribution, diversity of funds, number and size of awards, environmental benefits, applicability of different business models, and other Agency and programmatic priorities.

Selectees will be notified by telephone, e-mail or postal mail by U.S. Environmental Protection Agency.

Next Steps on How to Apply and Resources

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Next Steps – How to Apply









□ For more information about the 2024 DERA Tribal & Territory Grant program and related funding opportunities, please visit at www.epa.gov/dera/tribal-and-territory.

- Questions and Answers: EPA will respond to questions from individual applicants about the NOFO, including threshold eligibility criteria, administrative issues related to the submission of the application, and requests for clarification about any of the language or provisions in the announcement through a questions and answers document posted to the DERA webpage.
- □ The 2024 DERA Tribal & Territory Grants NOFO includes information on how to prepare and submit an application package. The application package must be received by 11:59 p.m. (ET) on December 6, 2024.
- Please refer to Appendix D in the NOFO for an Application Submission Checklist to ensure that all required materials are included in the application package.

Other Tools and Resources

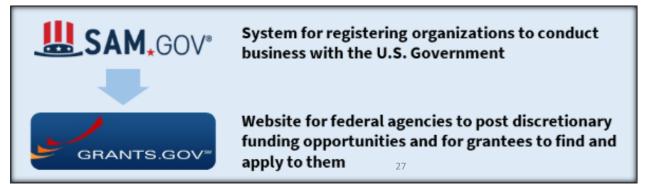
- Application Submission Documents List available at www.epa.gov/dera/tribal-and-territory, including but not limited to, the <u>DERA Supplemental Application Template</u> (including the Applicant Fleet Description data), <u>2024 Tribal and</u> Territory Sample Project Narrative, <u>2024 DERA Tribal & Territory Priority County/Area List</u>
- □ Shore Power Calculator Tool is available online at Shore Power Technology Assessment at U.S. Ports
- Overview of the initial steps that an applicant must complete to apply for an EPA grant, including obtaining a Unique Entity Identifier (UEI) at SAM.gov and registering with Grants.gov. www.epa.gov/grants/how-register-apply-grants



2. Register your Organization with Grants.gov and SAM.gov

All EPA grant applications are submitted online. Applicants must be registered in two government systems to apply for EPA grants:

- The System for Award Management (**SAM.gov**) registers organizations to conduct business with the U.S. Government, which includes federal grants.
- **Grants.gov** is the official system for managing all federal grant applications.



These two systems share information. Together, they provide access to everything needed to identify federal grant opportunities and to complete the online application process.

Note: **Both systems are accessed through a single user account set up in Login.gov.** Creating a Login.gov account is easy. If you do not have a Login.gov account, you will be prompted to create one when you register with SAM.gov or Grants.gov. Learn more about Login.gov.

Application packages must be submitted to EPA via Grants.gov no later than Friday, December 6th, 2024, at 11:59 p.m. ET. For more information, please visit <u>https://www.epa.gov/dera/tribal-and-territory</u>

Start Early: Completing the registration process usually takes a minimum of 10 business days. It can take much longer, especially if there are errors or inconsistencies in the information submitted.



2. Register your Organization with Grants.gov and SAM.gov

Register POC & Create Profile with UEI

Obtain Unique Entity Identifier (UEI)



Step 1. Register Your Organization in SAM.gov

- Applicants must register with SAM.gov to obtain a Unique Entity Identifier (UEI), which is a 12-character alphanumeric identifier assigned to each unique organization. There is no fee for registering with SAM.gov and registration must be renewed annually.
- Registration in SAM.gov requires providing assertions, representations and certifications, and other information so that the federal government can verify the existence and uniqueness of the organization. Go 28 to the SAM.gov Entity Registration page to get started.
- Organizations will need to designate an E-Business
 Point of Contact (EBiz POC). After the information submitted through the registration process is authenticated, the EBiz POC will receive an email from SAM.gov indicating that the registration is active.

Step 2. Create a User Account and Applicant Profile in Grants.gov

After obtaining a UEI, an applicant must create a profile in Grants.gov in 2 steps:

GRANTS.GOV

- Create a user account in Grants.gov with the same email address used by the EBiz POC in SAM.gov.
- Create the applicant profile in Grants.gov using the UEI obtained from SAM.gov.

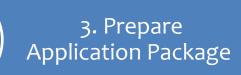
Step 3. Create Individual Grants.gov Accounts for Organization Members

Step 4. Learn How to Use Workspace in Grants.gov

For more detailed information visit:

www.epa.gov/grants/how-register-apply-grants





- □ SF-424, Application for Federal Assistance
- □ SF-424A, Budget Information for Non-Construction Programs
- EPA Form 4700-4, Pre-Award Compliance Review Report for All Applicants Requesting Federal Assistance

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- EPA Form 5700-54, Key Contacts Form
- □ Application Narrative Attachment Form (not to exceed 14 pages)
 - Cover Page
 - Workplan
 - □ 1. Project Summary and Approach
 - 2. Goods Movement
 - □ 3. Environmental Justice and Disadvantaged Communities
 - □ 4. Project Sustainability
 - □ 5. Climate Change Adaptation
 - □ 6. Workforce Development
 - 7. Environmental Results
 - □ 8. Programmatic Capability and Past Performance
 - 9. Budget
 - □ 10. Applicant Fleet Description EPA Supplemental Application Template -EPA Form Number 5900-681

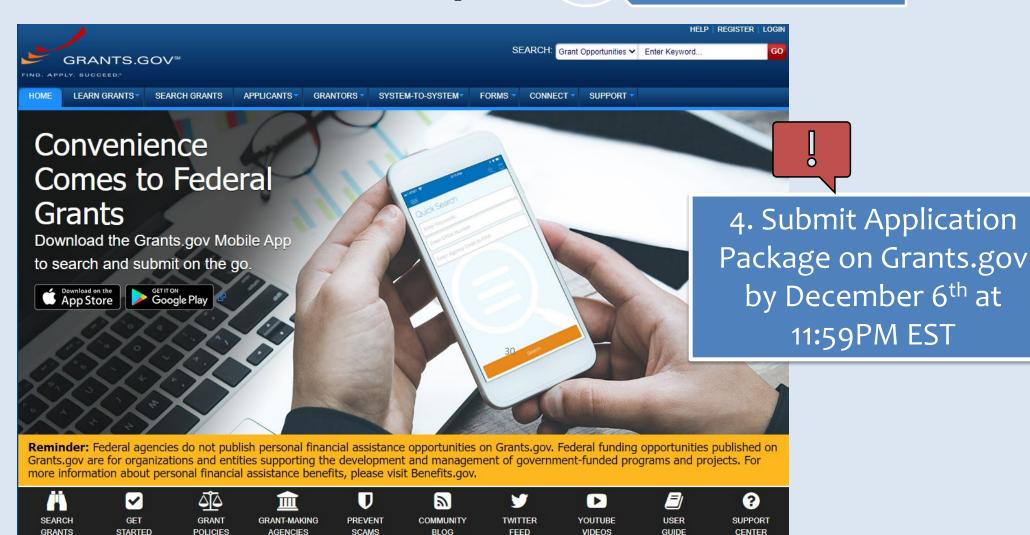
The following documents, as applicable, should be uploaded using the "Other Attachments Form" in Grants.gov:

Applicant Fleet Description (Use DERA Supplemental Application Template)

- Emission Reduction Calculations
 Partnership Letters, if applicable
 Mandated Measures Justification
- Supporting Information, if
 - Applicable
- Resumes, Optional



4. Submit Application Package on Grants.gov by December 6th at 11:59PM EST



	Important Dates
Tuesday, May 7th, 2024	Notice of Funding Opportunity (NOFO) Now Open
May - November 2024	 Webinars on DERA Tribal and Territory Grant Program Webinar 1: Wednesday, May 22, 2024 (2:00PM – 3:00PM ET) Webinar 2: Tuesday, June 18, 2024 (7:00PM – 8:00PM ET) Webinar 3: Thursday, August 15, 2024 (2:00PM – 3:00PM ET) Webinar 4: Wednesday, October 16, 2024 (7:00PM – 8:00PM ET) Webinar 5: Wednesday, November 13, 2024 (2:00PM – 3:00PM ET) More information can be found on the https://www.epa.gov/dera/tribal- and-territory website under the 'Important Dates' section.
Friday, November 8th, 2024, at 11:59 PM ET	Final Date to Submit Questions
Friday, December 6th, 2024, at 11:59 PM ET	NOFO Closes – Application Deadline Application packages must be submitted electronically to EPA through Grants.gov (www.grants.gov) no later than Friday, December 6, 2024, at 11:59 p.m. Eastern Time (ET) in order to be considered for funding
February 2025 to March 2025	Anticipated Notification of Selection
May 2025 to June 2025	Anticipated Awards



Summary

2024 DERA Tribal & Territory NOFO

- Application packages must be submitted to EPA via Grants.gov no later than 12/6/24 at 11:59 p.m. ET.
- Dates and topics for future webinars are on our website under the 'Important Dates' section.

Resources

- EPA's DERA Program website
- DERA Helpline (<u>dera@epa.gov</u>): Submit questions and comments
- Copies of this presentation will be available at: https://www.epa.gov/dera/tribal-and-territory
- Lucita Valiere [DERA Tribal & Territory Program Co-Lead]
 Valiere.Lucita@epa.gov
- Christina Guerra [DERA Tribal & Territory Program Co-Lead]
 Guerra.Christina@epa.gov

Stay in Touch

- View the full 2024 DERA Tribal & Territory Grant NOFO at <u>www.epa.gov/dera/tribal-and-territory</u>
- We will list all questions and answers in **questions and answers document posted to the DERA** webpage available at: <u>https://www.epa.gov/dera/tribal-and-territory</u>

Questions: Please type your questions into the question box and we will list all Q&As in a posted document on the DERA webpage.

