

Questions and Answers: FY 2009/2010 Request for Proposals (RFP)

October 22, 2009

National Clean Diesel Funding Assistance Program, FY 2009/2010 Request for Proposals (RFP) (Funding Opportunity EPA-OAR-OTAQ-09-10)

Clean Diesel Emerging Technologies Funding Assistance Program, FY2009/2010 Request for Proposals (RFP) (Funding Opportunity EPA-OAR-OTAQ-09-12)

SmartWay Clean Diesel Finance Program FY 2009/2010 Request for Proposals (RFP) (Funding Opportunity EPA-OAR-OTAQ-09-13)

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

- A. Applicant Eligibility
- B. Project Eligibility
 - i. After-treatment and Anti-Idling Technologies
 - ii. Clean and Alternative Fuels
 - iii. Engine Replacements, Repowers, and Shutdowns
 - iv. Scrappage Guidelines
 - v. Miscellaneous: Shore Power, Hybrids, etc.
 - vi. Emerging Technologies
- C. Application Process

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

A. Applicant Eligibility

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



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

Date Posted: 10/15/2009

Question A.2: *Will this RFP fund diesel emission reductions that are required by law?*



Answer: No funds awarded under this RFP can be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. Refer to See Section III.D.1: Restriction for Mandated Measures.

Date Posted: 10/15/2009

Question A.3: *The RFP states that award funds cannot be used to meet federal, state, or local emissions reduction mandates. What if a mandate has been passed or approved but has not yet gone into effect? Also, does an "anti-idling" mandate preclude the use of award funds for anti-idling technologies?*



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

Date Posted: 10/15/2009

Question A.4: *Our school district currently contracts with a local bus company for the use of school buses. Would we be eligible to apply for funds under this RFP to retrofit the privately owned school buses?*



Answer: Yes. The school district would have to be the applicant and would be the recipient of the EPA grant. As the grant recipient, the school district would have to maintain and be accountable to EPA for the grant funds, would procure the retrofit technology and ensure that all retrofit technologies are properly installed, and would set up any necessary contracts or agreements with the bus company.

Date Posted: 10/15/2009

Question A.5: *Is a college or university that owns buses eligible to apply for this grant?*



Answer: Only if the college or university falls into one of the eligible entity categories in Section III (A) of the RFP.

Date Posted: 10/15/2009

Updated

Question A.6: *Can a private company (i.e. school bus, transit bus, engine manufacturer, retrofit technology manufacturer, etc) apply for funding under this RFP?*



Answer: No. Only eligible entities as identified in Section III (A) of the RFP may apply. A private company may partner with an eligible entity but cannot apply on its own. EPA's competitive procurement requirements must be followed for any procurement of commercial goods and services or contracts, as explained in Section IV of the RFP.

Date Posted: 10/22/2009

Question A.7: *Can funds from the grant be used to pay for biodiesel infrastructure such as pumps or storage tanks?*



Answer: No. This funding cannot be used for fueling infrastructure, such as that used for the production and/or distribution of fuel such as biodiesel, or compressed natural gas fueling stations.

Date Posted: 10/15/2009

Question A.8: *Can a grant be used to rent a facility for biodiesel or to rent a transport vehicle for biodiesel?*



Answer: Renting of biodiesel storage or transportation services is considered fueling infrastructure under this solicitation and is ineligible.

Date Posted: 10/15/2009

Question A.9: *The language in the RFP indicates that city or county agencies are eligible. Does this preclude a city or county government from applying?*



Answer: No. For this RFP, the term "agencies" is a general term that applies to all levels of government and does not exclude a city or county government.

Date Posted: 10/15/2009

Question A.10: *Is fuel tank cleaning an eligible expense?*



Answer: No.

Date Posted: 10/15/2009

Updated Question A.11: *My fleet is not large enough for a project that falls within the award ranges in Section II. Can I include vehicles or equipment from other fleets in my proposal?*



Answer: Yes, but you must identify the other fleet(s) that you wish to include, and describe your relationship with such entity. In addition, you must also provide a description of vehicles/equipment belonging to the other entity that will be involved in the project. The recipient of any assistance agreement funds may then contract directly with the vendor/installer of the technologies to apply those technologies for all of the vehicles/equipment described under the proposal, provided that the conditions for procurement as described in Section IV are followed.

Date Posted: 10/22/2009

Question A.12: *Can funds be used for a project that is already started or will be started before the expected award date?*



Answer: No. Any funding awarded under this announcement must be used for activities that take place within the approved project period and may not be used for unauthorized pre-award costs. However, funding could be used for a new component of an on-going project. For example, if the applicant has a fleet of 500 school buses and has already retrofitted 200, the applicant can apply for funds to retrofit the remaining 300 buses.

Date Posted: 10/15/2009

Question A.13: *Can applications still be submitted for demonstration projects?*



Answer: No. Demonstration projects are not eligible under this RFP.

Date Posted: 10/15/2009

Question A.14: *Should entities in rural areas apply, or is the competition focused on urban areas?*



Answer: The competition is open to all eligible entities -- as defined in Section III (A) of the RFP -- and EPA encourages all types of eligible entities to apply. Please refer to the selection criteria in Section V of the RFP for additional information on how the proposals will be evaluated and scored.

Date Posted: 10/15/2009

Updated Question A.15: *Is there a way that an eligible entity can preselect an equipment supplier for a retrofit program?*



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

Date Posted: 10/22/2009

Question A.16: *Will level II emissions devices still be funded now that level III's are available and better protect public health?*



Answer: Yes. All EPA and CARB verified technologies are eligible.

Date Posted: 10/15/2009

Question A.17: *Can small school districts join together with other school districts to apply for funding to reach the grant minimum?*



Answer: Yes. But one entity must be the applicant and is responsible for project activities and expenditures. The others are partners or subgrantees in the project.

Date Posted: 10/15/2009

Question A.18: *If a "regional, state, local or tribal agency" applies, does it have to be one of those entities that has jurisdiction over transportation or air quality? Or can it be a local government, such as a municipality?*



Answer: Yes, with both "jurisdiction" and "Agency" used informally. A local government, such as a municipality, would be eligible.

Date Posted: 10/15/2009

Question A.19: *How does EPA define "jurisdiction over air quality" for a municipality?*



Answer: Municipalities are eligible entities.

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Question A.20: *I would be interested to know if non-profit 501c3 organization would be eligible for funding to reduce diesel emissions by retrofitting or replacing trucks used for delivery of food to food pantries, soup kitchens, youth activity sites etc.*



Answer: Eligible organizations are U.S. regional, State, local or tribal agencies or port authorities with jurisdiction over transportation or air quality, or nonprofit organizations or institutions that: 1) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or 2) have, as their principal purpose, the promotion of transportation or air quality. While we cannot fully determine the mission of your organization from your question, it appears that your organization does not fit the definition needed for non-profit eligibility. As a result, in order for your organization to participate in this program, you'll have to partner with an eligible entity as described above.

Date Posted: 10/15/2009

Question A.21: *Are school districts who own their own school buses eligible to apply?*



Answer: Yes.

Date Posted: 10/15/2009

Question A.22: *Would a privately held gas utility be considered to be a public service?*



Answer: It's possible that a privately held gas utility's fleet would be considered a public fleet. However, a privately held utility is not an eligible entity and thus cannot directly apply for funds. To be eligible for funding, the utility must partner with an eligible entity as defined in Section III (A) of the RFP.

Date Posted: 10/15/2009

Question A.23: *Are state energy offices eligible for funding?*



Answer: Yes.

Date Posted: 10/15/2009

New

Question A.24: *Are National Clean Diesel Funding programs available to both corporate and public service fleets?*



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

Date Posted: 10/22/2009

New

Question A.25: *Do cooperative agreements mean you must form some collaboration with other local government to receive funding? Under the SmartWay Finance RFP, only 1-6 proposals will be funded?*



Answer: The funding for selected projects will be in the form of a cooperative agreement. Cooperative agreements permit substantial involvement between EPA and the selected applicants in the performance of the work supported. Although EPA will negotiate precise terms and conditions relating to substantial involvement as part of the award process, the anticipated substantial Federal involvement for this project will be in the form of technical assistance, development of outputs, and oversight. Specifically, substantial federal involvement will take the form of monitoring the project by EPA during the project period; participation and collaboration between EPA and the recipient in program content; review of project progress, and quantification and reporting of results. EPA anticipates awarding approximately 1-6 cooperative agreement(s) under the SmartWay Finance RFP, subject to availability of funds and the quality of proposals received.

Date Posted: 10/22/2009

B. Project Eligibility

i. After-Treatment and Anti-Idling Technologies

New

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



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

Date Posted: 10/22/2009

New

Question iB.2: *Do the automatic shut off switches for idling control have to be in locomotives, or can it be the software package on class 8 trucks or buses?*



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

Date Posted: 10/22/09

ii. Clean and Alternative Fuels

New

Question Bii.1: *1. Are there funding opportunities to assist with the conversion of diesel trucks to CNG? 2. Is there any infrastructure funding to help distribution centers set up for CNG stations?*



Answer: Under the National Clean Diesel Funding Assistance Program, funding may be used only for EPA and/or CARB verified or certified engine configurations and technologies as defined in Section I.D of the RFP, Eligible Diesel Emissions Reduction Solutions. Eligible solutions include engine repower and vehicle replacement. Repower refers to the removal of an existing engine and replacing it with a newer, cleaner engine that is certified to a more stringent set of engine emissions standards. Repower includes diesel engine replacement with an engine certified for use with a cleaner fuel such as CNG. EPA will fund up to 75% of the cost (labor and equipment) of an eligible engine repower.

Replacement projects can include the replacement of diesel vehicles/equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment. EPA will fund the incremental cost of a newer, cleaner vehicle or piece of equipment, up to 25% of the cost of an eligible replacement vehicle or piece of equipment. Please refer to the RFP for repower and replacement criteria, restrictions, and cost-share requirements.

No funds awarded under this RFP shall be used for fueling infrastructure, such as that used for the production and/or distribution of biodiesel, compressed natural gas, liquefied natural gas, and or other cleaner fuels.

Date Posted: 10/22/2009

vi. Emerging Technologies

New

Question Bvi.1: *Does the National RFP include grant funding assistance for the manufacture of emerging technologies?*



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

Under Clean Diesel Emerging Technologies Program, EPA provides funding assistance to eligible entities for the deployment of diesel emission reduction technologies which have not yet been verified or certified by EPA or the California Air Resources Board (CARB). To qualify as an emerging technology, the manufacturer of the technology must be in the initial stages of the verification process with EPA or CARB and listed on EPA's Emerging Technology List.

Date Posted: 10/22/2009

New

Question Bvi.2: *I have built an ozone injection system for determining the efficacy of injection ozone into the intakes of small diesel and gasoline engines to determine the reduction of pollution that might accrue from this. In a test ~20 years ago it was shown that with the injection of ozone into the intake manifold of a 1979 Cadillac which would not pass the Arizona pollution tests, with the addition of an ozone generating lamp in the intake manifold of that Cadillac, then it easily passed the emission test. Is there a possibility of funding for a project like this?*



Answer: Eligible entities, in consultation with the technology manufacturer, can propose to conduct testing that will further support the development and document the in-use operation of technologies listed on the Emerging Technologies List. However, eligible entities may only use technologies from the Emerging Technologies list. The manufacturer of a technology not on the Emerging Technologies List should contact EPA for further information regarding the potential placement of their technology on the Emerging Technologies List. Emerging technologies may only be applied to heavy duty diesel engines.

Date Posted: 10/22/2009

New

Question Bvi.3: *Are new hybrid electric diesel engines eligible as emerging technologies?*



Answer: No. A hybrid electric diesel engine is not eligible as an emerging technology as this type of vehicle has been previously certified.

Date Posted: 10/22/2009

New **Question Bvi.4:** *Is there time to get technologies placed on the Emerging Technology List? How long does it take?*



Answer: It depends on the type of technology and if EPA is already familiar with the technology. EPA's verification team needs to have a clear understanding of the technology -- how it works, how it reduces emissions, if there any safety and health concerns, if the technology requires registration etc. If it is a brand new technology, it will take some time for the verification team to gain an understanding of how the technology works and for the manufacturer to complete the process. Also, it depends on how quick the manufacturer responds to EPA's queries regarding the technology, and how detailed the manufacturer's responses are. EPA can not provide a timeline for the process without knowing all the required details and information on the technology. There is no guarantee that the technology will be added to the Emerging Technology List before the close of the RFP on December 8, 2009.

Date Posted: 10/22/2009

New **Question Bvi.5:** *How far advanced does the technology have to be for consideration as an emerging technology?*



Answer: It varies based on the technology. EPA is expecting technologies to be at the commercially available stage.

Date Posted: 10/22/2009

New **Question Bvi.6:** *My technology system uses three individual technologies in combination. All three technologies are already on the Emerging Technologies List individually. Will this help the process for getting on the Emerging Technologies List or does the process need to be started from scratch?*



Answer: While it is possible this would speed up the process, there is no guarantee that the technology will be added to the Emerging Technology List before the close of the RFP on December 8, 2009.

Date Posted: 10/22/2009

New

Question Bvi.7: *What are some examples of technologies that are too close to commercially available to be considered emerging technologies?*



Answer: Commercial availability does not disqualify a technology from being listed as an emerging technology. Actually, to be listed, an emerging technology should be close to being, if not already, commercially available. A technology may not qualify as an emerging technology if it is essentially the same as one that has already been verified or used in certification. Similarly, if a technology is currently listed for use in one type of engine category as an emerging technology and a similar technology/design can address needs in another engine category (e.g., on-highway engine category to marine engine category), then the technology may qualify as an emerging technology.

Date Posted: 10/22/2009

C. Application Process

New

Question C.1: *Is EPA again providing/encouraging the use of their Applicant Fleet Description spreadsheet? EPA's spreadsheet is not referred to in the RFP; nor is a link provided. Can the applicant still use EPA's spreadsheet or should we construct our own table?*



Answer: Applicants are required to provide an Applicant Fleet Description in their proposal. The purpose of the Applicant Fleet Description is to describe in detail the specific vehicles and engines targeted for emissions reductions under the proposed project. Applicants must describe the fleet(s) targeted for the proposed project, including: target fleet type (e.g., school bus, port, construction, delivery truck, transit bus, locomotive, refuse hauler, utility vehicle, long haul truck, agriculture, mining, marine, other), number of vehicles, vehicle class, model year, retrofit year, chosen technology, current fuel type, amount of fuel used, etc. This information may be presented in a table format. Gathering and organizing your fleet information is an important step in any diesel retrofit project. EPA has developed a sample format that you may use to describe and store your fleet information. It is available under the "Tools and Resources" link found at <http://www.epa.gov/otaq/diesel/prgnational.htm>.

Date Posted: 10/22/2009

New

Question C.2: *Is the list of successful Emerging Technologies projects from the American Recovery and Reinvestment Act (ARRA) of 2009 funding available?*



Answer: EPA expects to release the awards list from ARRA funding in November, 2009.

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