AGENCY: Environmental Protection Agency (EPA)

TITLE: "Clean Diesel Funding Assistance Program FY 2017"

ACTION: Request for Proposal (RFP) Amendment No. 1

RFP NO: EPA-OAR-OTAQ-17-04

CFDA: 66.039

DATE: May 31, 2017

SUMMARY: This Notice makes corrections to the above Request for Proposals to: 1) increase total funding available and revise regional funding limits; 2) add Clean Alternative Fuel Conversions to the project eligibility; and 3) extend the closing date.

Accordingly,

• Page 1, IMPORTANT DATES, shall now read as follows:

Tuesday, June 20 Wednesday, July 5, 2017 RFP CLOSES – PROPOSALS DUE

The closing date and time for receipt of proposals is Tuesday, June 20 Wednesday, July 5, 2017, at 11:59 p.m. Eastern Time (ET) in order to be considered for funding. Proposal packages must be submitted electronically to EPA through Grants.gov (www.grants.gov) no later than Tuesday, June 20 Wednesday, July 5, 2017, at 11:59 p.m. (ET) in order to be considered for funding.

- The following language was added to Page 2, Summary of What EPA Will Fund:
 - **Certified Clean Alternative Fuel Conversion**: EPA will fund up to 40% of the cost (labor and equipment) of an eligible certified or compliant clean alternative fuel conversion.
- Page 2, FUNDING/AWARDS, shall now read as follows:

EPA anticipates awarding at least \$11 approximately \$34 million in DERA grant funding under this announcement.

• Page 5, Section I.A. Background, shall now read as follows:

The agency anticipates awarding at least \$11 approximately \$34 million in DERA grant funding under this announcement to eligible entities.

• The following language was added to Page 13, Section I.B.2 Eligible Diesel Emission Reduction Solutions:

h. Clean Alternative Fuel Conversions: Conventional, original equipment manufacturer (OEM) highway diesel vehicles and engines that are altered to operate on alternative fuels such as propane or natural gas are classified as aftermarket clean alternative fuel conversions. Clean alternative fuel conversions are accomplished by applying a certified or compliant alternative fuel conversion "kit" to an existing highway diesel engine.

Funding can cover up to 40% of the cost (labor and equipment) of an eligible certified or compliant clean alternative fuel conversion. Eligible conversions are limited to those systems that have been certified by EPA and/or CARB, and those systems that have been approved by EPA for Intermediate-Age engines. EPA's lists of "Certified Conversion Systems for New Vehicles and Engines" and "Conversion Systems for Intermediate-Age Vehicles and Engines" are available at www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems; CARB's list of "Approved Alternate Fuel Retrofit Systems" are available at: www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm.

To be eligible for funding, conversion systems for engine model years 1995-2006 must achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standards of the original engine. To be eligible for funding, conversion systems for engine model years 2007-2009 must achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standards of the original engine. Proposals for clean alternative fuel conversions should include a discussion of the availability of conversion systems and indicate the pre- and post-project emission standard levels of the engines in order to demonstrate that the conversions result in the required emissions benefit.

Most states require the use of EPA approved systems. Vehicles operating in California, and other States that require CARB approved aftermarket systems, must follow conversion rules issued by CARB. Compliance with applicable state law is the sole responsibility of the fleet owner.

• Page 19, Section II.A. What is the amount of funding available?, shall now read as follows:

EPA anticipates awarding at least \$11 approximately \$34 million under this announcement, subject to the availability of funds, the quantity and quality of proposals received, and other applicable considerations.

Table 1. Funding Limits by Region

Region	Maximum Federal Funding Request Per Proposal		
1	\$950,000 \$1,000,000		
2	\$1,000,000 \$1,750,000		
3	\$1,000,000 \$2,000,000		

4	\$1,100,000
5	\$1,300,000 \$3,000,000
6	\$2,100,000 \$2,500,000
7	\$750,000 \$1,300,000
8	\$1,200,000 \$2,300,000
9	\$2,500,000
10	\$500,000 \$800,000

- The following language was added to Page 23, Section I.B.1. Mandatory Cost-Share Requirement:
 - **h.** Clean Alternative Fuel Conversion: EPA will fund up to 40% of the cost (labor and equipment) of an eligible certified or compliant clean alternative fuel conversion (i.e., applicants are responsible for cost-sharing at least 60% of the cost).
- Page 28, Section III.D.13. Highway Model Year, shall now read as follows:
 - 13. Highway Model Year: No funds awarded under this RFP shall be used to retrofit (including idle reduction technologies and aerodynamics and tires), convert, or replace a transit bus, medium-duty, or heavy-duty highway vehicle with engine model year 1994 and older or 2010 and newer, or to retrofit engine model year 2007 and newer with DOCs or DPFs, or retrofit engine model year 2010 and newer with SCR, or replace engine model year 2007-2009 with other than all-electric (zero-emission). Refer to Table 2 for further explanation.
 - **a.** Clean Alternative Fuel Conversion: No funds awarded under this RFP shall be used to purchase certified/approved conversion systems that do not meet the following criteria:
 - 1) Existing engine model 1995-2006: Conversion kit must be certified or approved to achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standard of the original engine.
 - 2) Existing engine model 2007-2009: Conversion kit must be certified or approved to achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standards of the original engine.

Table 2: Medium and Heavy-Duty Trucks, Transit Buses, and School Buses Funding Restrictions

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction, Tires, or Aero- dynamics	Vehicle or Engine Replacement: EMY 2017+ (2012+ for Drayage)	Vehicle or Engine Replacement: Electric	Clean Alternative Fuel Conversion
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older - 1994	No	No	No	No	No	No	No
1995 - 2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 - 2009	No	No	Yes	Yes*	No	Yes	Yes
2010 - newer	No	No	No	No	No	No	No

^{*} Auxiliary Power Units and generators are not eligible on vehicles with EMY 2007 or newer.

 Page 33, Section IV.C. Grants.gov Application Submission Instructions, shall now read as follows:

Your organization's authorized official representative (AOR) must submit your complete proposal electronically to EPA through Grants.gov (www.grants.gov) no later than Tuesday, June 20 Wednesday, July 5, 2017 by 11:59 p.m. Eastern Time (ET).

• Page 36, Section IV.E. Submission Date and Time, shall now read as follows:

The closing date and time for submission of proposals is Tuesday, June 20 Wednesday, July 5, 2017 by 11:59 p.m. Eastern Time (ET).

• Page 43, Section VII. Agency Contacts, shall now read as follows:

The deadline for submitting questions via email is Friday, June 9 23, 2017 at 4:00 p.m. ET. The estimated final posting of the FAQ document will be Wednesday, June 14 28, 2017 at 4:00 p.m. ET.

• Page 44, Appendix A, shall now read as follows:

Your organization's AOR must submit your complete application package electronically to EPA through Grants.gov no later than Tuesday, June 20 Wednesday, July 5, 2017 by 11:59 p.m. ET.