

Questions and Answers: Tribal Clean Diesel Funding Assistance Program FY 2015 (RFP# EPA-OAR-OTAQ-15-05)

Wednesday, July 1, 2015

The following Questions and Answers have been compiled for the benefit of organizations considering applying for a grant under the above Request for Proposals (RFP).

- A. Applicant Eligibility
- B. Project Eligibility
 - i. Exhaust Controls
 - ii. Engine Upgrades
 - iii. Cleaner Fuels Use
 - iv. Idle-Reduction
 - v. Aerodynamics and Tires
 - vi. Engine Repowers
 - vii. Vehicle/Equipment Replacements
 - viii. Miscellaneous
- C. Vehicle, Equipment, and Engine Eligibility
- D. Application Process
- E. Project Administration
 - i. Competitive Procurement Requirements
 - ii. General

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

A.1: *How does the RFP define tribal agency and intertribal consortium?*

Answer: Tribal agencies are defined as Federally recognized Indian tribal governments, which are any Indian tribe, band, nation, or other organized group or community (including Native villages) certified by the Secretary of the Interior as eligible for the special programs and services provided by her through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents Federally recognized tribes. For the purposes of this RFP, "intertribal consortium" is defined as a partnership between two or more tribes 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 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.

Date Posted: 5/29/2015

A.2: *Can individuals or private companies apply for funding under this competition?*

Answer: No. Only eligible entities as defined in the RFP are eligible to apply for EPA funding.

Date Posted: 5/29/2015

A.3: *Can a privately owned fleet receive funding?*

Answer: Only eligible entities as defined in the RFP are eligible to apply directly to EPA for funding under this RFP. However, both public and private fleets may benefit from program activities and EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects. There are several ways that an eligible entity can provide funding/benefits to fleet owners, including subgrants, rebates, or partnerships. Please see Section III.A of the RFP for more information.

Date Posted: 5/29/2015

A.4: *To be eligible, must tribal entities have regulatory authority formally delegated to them for enforcing air or transportation regulations?*

Answer: No, jurisdiction is generally defined as the ability to make decisions which impact transportation or air quality. For example, a local government, such as a municipality, would be eligible. Or a school district would be eligible because it is responsible for decisions regarding transportation of students. Entities can explain how they fit the definition.

Date Posted: 5/29/2015

A.5: *Do tribes have to apply directly as stand-alone projects or can they apply jointly with utilities?*

Answer: A tribe can apply individually or can form a partnership with other entities for the purposes of the grant, however only one tribe or tribal consortium may be listed as the applicant on the proposal, and that tribe is ultimately responsible for the proper implementation of the grant. There are several ways that tribe can then provide funding/benefits to the other project partners/fleet owners (including subgrants, rebates, or other partnership agreements) in accordance with the applicable EPA grant regulations and the terms and conditions of the original award. The proposal will have to clearly explain the roles and responsibilities of all subgrantees/project partners.

Date Posted: 5/29/2015

A.6: *Can multiple tribes collaborate on a grant proposal, assuming they are all eligible?*

Answer: Yes, there are two ways tribes can collaborate: 1) one tribe could apply with others as subgrantees and 2) the tribes could form an intertribal consortium. For the purposes of this RFP, "intertribal consortium" is defined as a partnership between two or more tribes that is authorized by the governing bodies of those tribes to apply for and receive assistance under this program. Please see Section III.A of the RFP for additional information about intertribal consortiums.

Date Posted: 6/5/2015

A.7: *Are Federally recognized tribes in Alaska eligible?*

Answer: Yes.

Date Posted: 6/5/2015

A.8: *Does a tribe have to be on the list of poor quality areas in order to apply for funding of a project?*

Answer: No. Tribes that meet the eligibility criteria may apply regardless of their location.

Date Posted: 6/12/2015

New **A.9:** *Are Alaska Tribal entities, including Alaska Native Regional non-profits, that do NOT have jurisdiction over air quality in their air shed eligible?*

Answer: Eligible entities are limited to a tribal agency or intertribal consortium with jurisdiction over transportation or air quality. Tribal agencies are defined as Federally recognized Indian tribal governments, which are any Indian tribe, band, nation, or other organized group or community (including Native villages) certified by the Secretary of the Interior as eligible for the special programs and services provided by her through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents Federally recognized tribes.

For the purposes of this RFP, "intertribal consortium" is defined as a partnership between two or more tribes 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 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.

A tribal non-profit would only be eligible if it meets the definition of an intertribal consortium given above. For the purposes of this RFP, "jurisdiction over transportation or air quality" does not mean that the entity must have regulatory authority, but jurisdiction is generally defined as the ability to make decisions which impact transportation or air quality. For example, an Alaska Tribe can make decisions which impact transportation in their community. Therefore, a tribe that is eligible in all other respects, would be eligible based on decision-making with respect to transportation.

Date Posted: 7/2/2015

B. Project Eligibility

i. Exhaust Controls

B.i.1: *Are technologies that are CARB verified, but not EPA verified, eligible?*

Answer: Yes, funding may be used for EPA and/or CARB certified engine configurations and verified exhaust control retrofit technologies.

Date Posted: 5/29/2015

ii. Engine Upgrades

No questions at this time.

iii. Cleaner Fuels Use

B.iii.1: *What is the acceptable method to determine the fuel cost differential between USLD and an alternative fuel for a proposed project?*

Answer: Applicants should contact a fuel distributor to obtain current fuel price information as close to the proposal submission date as possible. Compare that cost to the cost of standard diesel fuel during a similar period.

Date Posted: 5/29/2015

B.iii.2: *Does the fuel cost differential make any provisions for infrastructure upgrades, such as tank upgrades?*

Answer: No. This RFP does not pay for any fueling infrastructure. It only pays for the cost-differential between the conventional fuel and the cleaner fuel.

Date Posted: 5/29/2015

iv. Idle-Reduction

No questions at this time.

v. Aerodynamics and Tires

No questions at this time.

vi. Engine Repowers

B.vi.1: *May we use a Tier 3 engine if a Tier 4 engine won't fit in an older vehicle?*

Answer: No. EPA cannot pay for a Tier 3 engine if federal law requires a Tier 4 engine.

Date Posted: 6/5/2015

B.vi.2: *What is meant by "the applicant may be required to pay the additional costs associated with the higher horsepower equipment"?*

Answer: If an applicant proposes a replacement engine where the horsepower is more than 25 percent of the engine being replaced, EPA may require the applicant to pay the cost difference between the larger engine and a smaller one. Horsepower increases of more than 25 percent will require specific approval by EPA prior to purchase for engine repowers (or nonroad replacement projects).

Date Posted: 6/5/2015

B.vi.3: *How much will EPA fund for generator repowers?*

Answer: EPA will fund up to 75% of the cost (labor and equipment) of an eligible engine replacement/repower (i.e., applicants are responsible for cost-sharing at least 25% of the cost of an eligible engine repower).

Date Posted: 6/12/2015

vii. Vehicle/Equipment Replacements

B.vii.1: *What is meant by incremental cost for a replacement?*

Answer: Incremental cost is defined in the RFP as up to 50% of the cost of a newer, cleaner vehicle or piece of equipment. Applicants do not need to calculate/compare the difference in price of a newer, cleaner model versus an older model.

Date Posted: 5/29/2015

viii. Miscellaneous

B.viii.1: *A tribe is interested in retrofitting equipment located within the reservation boundaries and at a tribally owned facility located outside the Community. Is the equipment located outside the Community eligible for this funding?*

Answer: Yes. The equipment may or may not be owned by the tribe or tribal members, and the equipment may or may not be located on the Reservation. Equipment owned by the Bureau of Indian Affairs, however, is not eligible since funding cannot be used to retrofit another Federal Agency's equipment.

Date Posted: 5/29/2015

B.viii.2: *Can funds be used for a project that has already been started or will be started before the expected award date?*

Answer: No. Any funding awarded under this announcement must be used for activities that will 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. Expenses incurred prior to the project period set forth in any assistance agreement resulting from this RFP are not eligible as a cost-share for proposed projects.

Date Posted: 5/29/2015

B.viii.3: *May we use DERA Tribal RFP funding to pave parking lots, roads, and tribal drives to reduce road dust and capture fuel and oil runoff?*

Answer: No. Please see summary and Section I.B of the RFP for the list of legacy diesel engine projects that are eligible for DERA funding.

Date Posted: 5/29/2015

B.viii.4: *What does "more stringent set of engine emissions" mean? Is going from Tier 2 to Tier 3 acceptable or does everything need to be Tier 4?*

Answer: In general, the new engine should be a new, current model year engine that meets the current emission standard for the specific engine type and size unless there is a technical compatibility/feasibility issue that requires using an older model year engine. For most nonroad and marine engines, the current model year engine will be Tier 4 or Tier 3. Requirements depend on the type of engine, and the engine's current tier level. For example, under this RFP you may repower or replace a Tier 0, Tier 1, Tier 2, or Tier 3 nonroad engine with a Tier 4 or all-electric engine. Or you may repower an unregulated, Tier 1, or Tier 2 marine engine with a Tier 3 or 4 marine engine. Please see Section III.D of the RFP for additional funding restrictions.

Date Posted: 6/12/2015

B.viii.5: *How can I find out if the stationary engine emission reductions are required by the RICE Rule (or not)?*

Answer: To find out if your generator engine is covered by the RICE rule, please see www.epa.gov/ttn/atw/icengines/ and Appendix E of the RFP.

Date Posted: 6/12/2015

C. Vehicle, Equipment, and Engine Eligibility

C.1: *Are vehicles eligible for replacement under this grant if they are scheduled to be retired and scrapped by or before the end of the project period?*

Answer: No. Repowers or replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is defined as a replacement or repower that is scheduled to take place within 3 years of the project start date. Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule.

Date Posted: 5/29/2015

C.3: *Please describe eligible diesel trucks.*

Answer: For the purposes of this RFP, eligible heavy-duty highway vehicles are defined as Class 5 through Class 8: Class 5 (16,001 - 19,500 lbs GVWR); Class 6 (19,501 - 26,000 lbs GVWR); Class 7 (26,001 - 33,000 lbs GVWR); Class 8a (33,001 - 60,000 lbs GVWR); Class 8b (60,001 lbs GVWR and over). Class 1 - Class 4 vehicles (i.e., 16,000 lbs or less GVWR) are not eligible.

Date Posted: 5/29/2015

C.2: *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles are eligible under this RFP as long as the applicant meets the definition of an eligible entity.

Date Posted: 5/29/2015

C.3: *Are diesel generators eligible?*

Answer: Yes. Please note that stationary engine projects will not be considered for funding under this RFP if the emission reductions proposed are federally mandated. Proposals which include nonroad diesel engines used in stationary generators must include a "Mandated Measures Justification" in Section I of the Project Narrative. Please see Section III.D.1 and Appendix E of this RFP for more information.

Date Posted: 6/5/2015

C.4: *Are stationary engines considered nonroad engines, equipment or vehicles?*

Answer: A stationary diesel generator is considered a piece of nonroad equipment (comprised of both a nonroad engine and a generator).

Date Posted: 6/12/2015

C.5: *The RFP states nonroad engines, equipment or vehicles used in energy production are eligible. What does "energy production" mean?*

Answer: "Energy production" generally refers to generators that use diesel fuel to produce electricity.

Date Posted: 6/12/2015

C.6: *Would an engine that serves as a backup power supply for facilities on the Reservation qualify?*

Answer: A backup diesel generator may qualify if it meets the usage limit, but most do not due to their limited use. According to this year's RFP, "No funds awarded under this RFP shall be used to retrofit, repower, replace or upgrade nonroad engines and equipment that operate less than 500 hours per year." See Section II.D.14 on page 28 for additional information.

Date Posted: 6/12/2015

C.7: *In remote Alaska, is a Model year 2013 Tier 3 marine engine without additional aftermarket PM controls eligible to repower an existing prime power, Tier 0 engine?*

Answer: In remote Alaska, Model Year Tier 3 certified marine engines are eligible to replace a Tier 0, Tier 1, or Tier 2 engine. Please refer to Table 3 section III D for marine engine eligibility requirements.

Date Posted: 6/12/2015

C.8: *Can we use funding for rebuilt or remanufactured engines in remote Alaska that are certified Tier compliant?*

Answer: Yes. In general, remanufactured engines are considered to be "new" engines. When an engine is remanufactured, it must be certified as meeting the emission standards for remanufactured engines.

Date Posted: 6/12/2015

C.9: *Are backup diesel and propane generators eligible?*

Answer: There are several factors to determine eligibility of your diesel generators. To start, only existing diesel-powered generators are eligible for upgrade, retrofit, repower, or replacement under this RFP. Then, please consider that diesel generators only qualify for funding if they operate at least 500 hours per year (Section II.D.14, Page 28). If the generators meet the hours of operation criteria, then they should have at least seven years of useful life remaining use (as defined by the table at www.epa.gov/diesel/documents/fy15-tribal-nonroad-remaining-useful-life.pdf), or your proposal must include a justification for targeting emission reductions from older equipment (Section I.B, Pages 7-8). You can find which model years of light commercial generator sets have at least 7 years of useful life remaining on page 3 of the table.

Date Posted: 6/26/2015

D. Application Process

D.1: *Can you provide a list of past applicants or recipients?*

Answer: While EPA cannot release information on grant proposals, it can provide information on previously funded projects. Information on all previously funded projects may be found at www.epa.gov/cleandiesel/projects-tribal.htm.

Date Posted: 5/29/2015

D.2: *Where is the application for the grant program?*

Answer: The Request for Proposals for RFP Number EPA-OAR-OTAP-15-05 can be found at www.epa.gov/cleandiesel/prgtribal.htm. Applicants can download application forms SF 424 and SF 424A from EPA's Office of Grants and Debarment website at: www.epa.gov/ogd/AppKit/application.htm. Please refer to the Proposal Submission Checklist in Appendix F of the RFP to ensure that all required information is included in your proposal package. To obtain a hard copy of materials, please call 1-877-NCDC-FACTS (1-877-623-2322) or email cleandiesel@epa.gov.

Date Posted: 5/29/2015

D.3: *Can an applicant ask for a cost-share waiver from the mandatory costs per technology on the tribal RFP?*

Answer: No, the scope of the RFP is for all applicants.

Date Posted: 5/29/2015

D.4: *Can you provide additional information about the evaluation criterion related to partnerships for renewable energy and energy efficiency?*

Answer: Per Section V of the RFP, as part of the evaluation process, EPA will consider whether an applicant has established a partnership with a non-EPA Federal Agency to advance tribal renewable energy and energy efficiency efforts that directly reduce diesel emissions from the same engines/equipment that the applicant is targeting for diesel emission reductions under this RFP.

Date Posted: 5/29/2015

D.5: *What is the range of funds we can request under this RFP?*

Answer: We anticipate awards will range from \$30,000 to \$800,000.

Date Posted: 6/5/2015

D.6: *Can applicants get assistance with the Diesel Emissions Quantifier?*

Answer: Yes, you may contact the National Clean Diesel Campaign Helpline at 1-877-NCDC-FACTS (1-877-623-2322) or cleandiesel@epa.gov for assistance. We recommend you start working with the Quantifier early.

Date Posted: 6/5/2015

D.7: *Is a recording of the Information Session webinar available?*

Answer: The webinar slides will be available for viewing at www.epa.gov/cleandiesel/prgtribal.htm.

Date Posted: 6/5/2015

D.8: *Can you submit one proposal with several objectives (e.g., marine engine repower, school bus fleets, nonroad)?*

Answer: Yes. A single proposal may target multiple fleets, fleet types and/or diesel emission reduction solutions.

Date Posted: 6/5/2015

D.9: *Can you submit multiple vehicles/engines/equipment in a single proposal?*

Answer: Yes.

Date Posted: 6/5/2015

D.10: *Do allowable costs include generator installation or are they just for equipment?*

Answer: You can include installation as part of the equipment costs, subject to the cost-share requirements.

Date Posted: 6/12/2015

E. Project Administration

i. Competitive Procurement Requirements

No questions at this time.

ii. General

E.ii.1: *If a tribal project in a particular region is selected for funding, who will administer the grant?*

Answer: The EPA Regional Office will administer the tribal grants awarded within the region.

Date Posted: 5/29/2015

E.ii.2: *Can we propose a horsepower increase of more than 25 percent, if a vessel owner pays the additional costs associated with the higher horsepower equipment?*

Answer: Yes, however the proposal should include a discussion of how the applicant has weighted the available/eligible technology option and has arrived at the chosen diesel emission reduction solution. The proposal should include information on the cost and emissions of a new engine of the same size as the existing engine, as well as information on the cost and emissions of the new, larger engine. The proposal should also discuss why the purchase of the larger engine is justified. EPA costs and applicant cost-share should be based on the costs of an engine within the 25% horsepower range. Any additional costs for the larger engine should be included as a voluntary cost-share (i.e. overmatch).

Date Posted: 6/5/2015

E.ii.3: *Can equipment being scrapped be sold?*

Answer: The engine/vehicle/equipment being replaced must be scrapped or rendered permanently disabled within 90 days. But some equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g. plow blades, shovels, seats, tires, etc.). If scrapped or salvaged or remanufactured engines/vehicles/parts are to be sold, program income requirements apply. Please see Sections I.B.2.f and I.B.2.g of the RFP for scrappage requirements.

Date Posted: 6/5/2015

E.ii.4: *Once an application is received and is awarded a certain amount of money, is the applicant obligated to continue or can they withdraw if other funding fails to come through?*

Answer: If selected for award, an EPA Award Official will make an official offer of an award to the applicant. The applicant must formally accept or deny the award. If an award is accepted, the applicant may terminate the award for convenience, and return the funding, at any time.

Date Posted: 6/5/2015

E.ii.5: *What additional expenses can be covered by this funding?*

Answer: Allowable costs may include: personnel, fringe benefits, travel, equipment, supplies, contractual/consultant services, insurance, rental/lease of equipment or supplies, equipment service or maintenance contracts, printing or photocopying, rebates, and subaward costs related to the project. Please see Appendix B, 2, Section 7 for additional information about itemizing costs.

Date Posted: 6/5/2015

E.ii.6: *May we identify backups for vehicles/vessels in our fleet or is this considered a change in the scope of the work plan?*

Answer: In general, swapping an identified vehicle for a substantially similar vehicle would be an approvable change as long as it does not impact the outputs, outcomes or competition rankings. Changes to proposed fleets and or technologies that would result in a lower project score per the Evaluation Criteria (e.g., outputs and outcomes, project location, diesel reduction effectiveness) generally will not be allowed.

Date Posted: 6/5/2015