

**Questions and Answers:  
2020 Diesel Emission Reduction Act (DERA) National Grants  
RFA# EPA-OAR-OTAQ-20-02**

Friday, February 21, 2020

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

- A. Applicant Eligibility
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  - i. Vehicle and Equipment Replacements
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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. Applicant Eligibility

**A.1:** *Can individuals or private companies apply for funding under this competition?*

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

Date Posted: 12/9/2019

**A.2:** *Can a privately-owned fleet receive funding? Are there specific entities that private companies must partner with?*

Answer: Only eligible entities as defined in the RFA are eligible to apply directly to EPA for funding under this RFA. Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. However, both public and private fleets may benefit from the programs implemented by DERA national grant recipients and EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emissions reduction projects. An eligible entity can provide funding/benefits to fleet owners through subawards and rebates. Some EPA regions have regional diesel collaboratives ([www.epa.gov/cleandiesel/epa-regions-clean-diesel-collaboratives](http://www.epa.gov/cleandiesel/epa-regions-clean-diesel-collaboratives)) where fleet owners interested in partnering with eligible entities may find networking opportunities.

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**A.3:** *Is the manufacturer of an emissions reduction device eligible for this grant?*

Answer: Manufacturers are not eligible to apply directly to EPA for funding. Manufacturers who would like to have their retrofit products eligible for purchase by recipients of this grant program must be listed on EPA or CARB's verified retrofit technology list. An overview of EPA's Verification Process is available at [www.epa.gov/verified-diesel-tech/learn-about-verified-technologies-clean-diesel](http://www.epa.gov/verified-diesel-tech/learn-about-verified-technologies-clean-diesel). Funding under this program is not available for product testing/verification.

Date Posted: 12/9/2019

**A.4:** *Are school districts eligible for this funding opportunity?*

Answer: Public school districts are generally eligible entities. Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. The term "jurisdiction" in this context is generally defined as the ability to make decisions which impact transportation or air quality. For example, a school district would be eligible because it is a state or local agency which owns and/or operates diesel fleets and it is responsible for decisions regarding transportation of students.

Date Posted: 12/9/2019

**A.5:** *Are federal agencies, including U.S. military installations, eligible to apply for funding?*

Answer: No, federal agencies are not eligible.

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**A.6: Are we eligible to apply if we have received DERA funding through another opportunity?**

Answer: Yes. Participation in one program does not preclude you from participating in others; however, an applicant may not accept funding from multiple programs for the same vehicle.

Date Posted: 12/9/2019

**A.7: How do the DERA National Grants, Tribal Grants, and School Bus Rebates differ?**

Answer: EPA has three competitive DERA funding opportunities: DERA National Grants (this RFA), DERA Tribal Grants, and DERA School Bus Rebates. Although tribes are eligible to apply for funding under this RFA, the DERA program also expects to issue a separate DERA Tribal Grants RFA in 2020. Please visit [www.epa.gov/cleandiesel/clean-diesel-tribal-grants](http://www.epa.gov/cleandiesel/clean-diesel-tribal-grants) for more information. While school bus replacement is one of many eligible activities under DERA National Grants (this RFA), DERA School Bus Rebates provides funding only for school bus replacement. Typically, the rebate application period opens annually in the fall, requires a one-page application form, rebate recipients are selected through a lottery process, and projects are completed in less than one year. Information on EPA's School Bus Rebates can be found at [www.epa.gov/cleandiesel/school-bus-rebates-diesel-emissions-reduction-act-dera](http://www.epa.gov/cleandiesel/school-bus-rebates-diesel-emissions-reduction-act-dera).

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**A.8: Do applicants and projects need to be located in non-attainment areas to be eligible?**

Answer: No, attainment is not an eligibility factor. However, projects located in non-attainment areas will receive points under evaluation criterion #2 for being located in a priority area.

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**A.9: Can municipalities receive funding?**

Answer: Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. School districts, municipalities, metropolitan planning organizations (MPOs), cities and counties are all generally eligible entities under this assistance agreement program to the extent that they fall within this definition.

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**A.10: Are there any differences in the eligibility requirements for Class 1 vs. Class 3 locomotive owners/operators?**

Answer: In general, no. However, some mandated measures under EPA's locomotive and marine rule, "Control of Emissions of Air Pollution from Locomotives and Marine Compression-Ignition Engines Less than 30 liters per Cylinder," may apply to Class 1 locomotives but not Class 3. DERA funds cannot be used to fund emission reductions required by federal regulations. Please see Appendix D of the RFA for more information.

Date Posted: 12/27/2019

**A.11: Are transit agencies eligible to apply?**

Answer: To apply directly to EPA for DERA funding, applicants must be a regional, state, or local agency, tribal government (or intertribal consortium) or native village, or port authority, which has jurisdiction over transportation or air quality, or certain types of nonprofit organizations. Municipalities, cities and counties are all generally eligible entities to the extent that they fall within this definition. Alternatively, an eligible entity may partner with public and private fleet owners and provide them with subgrants or rebates so that they may address the emissions from their fleets.

Date Posted: 1/13/2020

**A.12: Are Head Start programs eligible?**

Answer: To apply directly to EPA for DERA funding, applicants must be: 1) a regional, state, or local agency, tribal government (or intertribal consortium) or native village, or port authority, which has jurisdiction over transportation or air quality, or 2) a nonprofit organization or institution that represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets, or has as its principal purpose the promotion of transportation or air quality. Head Start programs are eligible DERA applicants if they fall within this definition. Alternatively, an eligible entity may partner with public and private fleet owners and provide them with subgrants or rebates so that they may address the emissions from their fleets.

Date Posted: 1/13/2020

**A.13: Are private school bus companies eligible for funding under this grant?**

Answer: Private fleet owners are not eligible to apply directly to EPA for DERA grant funding under this RFA, however both public and private fleets can benefit from the programs implemented by DERA national grant recipients. An eligible grant recipient may partner with public and private fleet owners and provide them with subgrants or rebates so that they may address the emissions from their fleets. See Appendix E of the RFA for detailed information on how to fund projects and partnerships. Be advised, EPA does offer a separate funding opportunity, the DERA School Bus Rebates, that allows applications from private bus fleets that are under contract with a public school ([www.epa.gov/cleandiesel/school-bus-rebates-diesel-emissions-reduction-act-dera](http://www.epa.gov/cleandiesel/school-bus-rebates-diesel-emissions-reduction-act-dera)).

Date Posted: 1/13/2020

**A.14: Are airports eligible for this funding opportunity?**

Answer: Assuming that airports are public entities, they are generally eligible. Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. The term "jurisdiction" in this context is generally defined as owning and operating diesel fleets and/or the ability to make decisions which impact transportation or air quality.

Date Posted: 1/21/2020

**A.15: Are regional wastewater treatment providers eligible for this funding opportunity?**

Answer: Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality. The term "jurisdiction" in this context is generally defined as the ability to make decisions which impact transportation or air quality or owning and operating diesel fleets. Public utilities and municipalities are generally eligible entities to the extent that they fall within this definition. Eligible entities also include nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality.

Date Posted: 1/24/2020

**A.16: Are Tribal Boys & Girls Clubs eligible for this funding opportunity?**

Answer: Eligible entities include regional, state, local or tribal agencies (or intertribal consortia) or port authorities with jurisdiction over transportation or air quality, and nonprofit organizations or institutions that: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality. Fleet owners that are not eligible to apply directly to EPA for DERA funding can benefit from the programs implemented by DERA national grant recipients; an eligible grant recipient may partner with public and private fleet owners and provide them with subgrants or rebates so that the fleet owners may address the emissions from their fleets.

Date Posted: 1/24/2020

**A.17: Are electric cooperatives eligible for this funding opportunity?**

Answer: It depends. A public utility is eligible, but a privately held utility is not eligible to apply directly to EPA for funding. Private entities may benefit through a partnership with an eligible entity.

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**A.18: Are public universities eligible for this funding opportunity?**

Answer: It depends if the university is officially classified as a state agency or a non-profit. State governments and agencies which have jurisdiction over transportation or air quality are eligible to apply. For example, a state university would be eligible if it owns and/or operates diesel fleets and is responsible for decisions regarding transportation of students. Non-profit organizations or institutions are only eligible if they can demonstrate that their mission/purpose is to: a) represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or b) have, as their principal purpose, the promotion of transportation or air quality.

Date Posted: 1/24/2020

**B. Project Eligibility**

**i. Vehicle and Equipment Replacements**

**B.i.1: Can highway diesel vehicles be replaced with vehicles fueled by CNG, LNG, propane, or other alternative fuels? At what funding level?**

Answer: Yes, eligible medium and heavy-duty diesel trucks and buses may be replaced with alternative fueled vehicles as long as the replacement vehicle is powered by a 2018 model year or newer certified engine (2014 or newer for drayage trucks). Vehicle replacements are funded at 25% (or at 35% if the engine is certified to CARB's Optional Low-NOx Standards or 45% if the engine is replaced with a zero-tailpipe emission power source).

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**B.i.2: What types of replacement projects are eligible?**

Answer: Replacement projects can include the replacement of highway and nonroad diesel vehicles/equipment with new, cleaner diesel, hybrid or alternative fuel vehicles/equipment such as CNG, LNG or propane, or zero tailpipe emissions technologies such as battery or fuel cell where applicable.

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**B.i.3:** *Can funds be used to replace transport refrigeration units (TRUs) with ones that have a compatible plug-in to connect to electrified parking spaces (EPS)?*

Answer: Yes. Eligible diesel powered TRUs may be replaced with electric standby TRUs which meet EPA's Tier 4 emission standards as a nonroad equipment replacement project. Please refer to the 2020 DERA TRU Factsheet available under supporting documents at [www.epa.gov/cleandiesel/clean-diesel-national-grants](http://www.epa.gov/cleandiesel/clean-diesel-national-grants) for information on eligible TRU projects.

Date Posted: 12/9/2019

**B.i.4:** *Can funding be used to replace a day cab licensed for a 34,000lb gross truck with a day cab licensed for a 41,000lb gross truck?*

Answer: Yes. The replacement vehicle should be of similar type and gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced. For highway vehicles, the replacement vehicle should not be in a larger weight class than the existing vehicle (Class 5, 6, 7, or 8). Exceptions may be granted for vocational purposes and will require specific EPA approval prior to purchase.

Date Posted: 12/9/2019

**B.i.5:** *For highway vehicle replacements, what are the engine requirements for the replacement vehicle?*

Answer: Replacement vehicles must be powered by one of the following:

- 1) A 2018 model year or newer engine certified to EPA emission standards. Highway engine emission standards are on EPA's website at [www.epa.gov/emission-standards-reference-guide/epa-emission-standards-heavy-duty-highway-engines-and-vehicles](http://www.epa.gov/emission-standards-reference-guide/epa-emission-standards-heavy-duty-highway-engines-and-vehicles).
- 2) a 2018 model year or newer engine certified to meet CARB's Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx. Engines certified to CARB's Optional Low NOx Standards may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles, found at [www.arb.ca.gov/msprog/onroad/cert/cert.php](http://www.arb.ca.gov/msprog/onroad/cert/cert.php).
- 3) A new, zero tailpipe emissions power source.

Date Posted: 12/9/2019

**B.i.6:** *What percent of EV charging equipment will DERA cover for electric vehicles purchased with grant funds?*

Answer: Eligible costs for battery electric powered vehicle, equipment and engine replacement projects can include the purchase and installation of one charging unit per vehicle, including the unit and charging cable, mount and/or pedestal. These costs are subject to the mandatory cost share requirements defined in Section III.B.1 of the RFA. Ineligible costs include power distribution to the pedestal, electrical panels and their installation, upgrades to existing electrical panels or electrical service, transformers and their installation, wiring/conduit and its installation, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g. batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation.

Date Posted: 12/9/2019

**B.i.7:** *If we use the grant to purchase a CNG truck, can we use funds to install a CNG refueling station for our fleet?*

Answer: No. CNG fueling infrastructure is not eligible for funding under DERA.

Date Posted: 12/27/2019

**B.i.8:** *Are diesel forklifts eligible for replacement with electric forklifts?*

Answer: Yes, forklifts are considered nonroad equipment. Please see Table 3 in Section III.D. of the RFA for nonroad engine funding restrictions. EPA will fund up to 45% of the cost of an eligible zero tailpipe emission vehicle or piece of equipment (i.e., applicants are responsible for cost-sharing at least 55% of the cost).

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**B.i.9:** *Can you purchase electric buses through this grant?*

Answer: Yes. You can replace eligible existing diesel buses with electric buses.

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**B.i.10:** *Does the funding level differ based on the NOx emission level of a replacement vehicle?*

Answer: To some extent, yes. Vehicles certified to CARB's optional 0.1, 0.05, or 0.02 g/bhp-hr NOx standard are all eligible for an EPA funding limit of 35%. See Section III.B of the RFA for more information on cost shares.

Date Posted: 12/27/2019

**B.i.11:** *Is horsepower a factor in eligibility of nonroad vehicle replacements?*

Answer: Horsepower is not a factor for eligibility of the existing nonroad equipment. However, horsepower increases of more than 40 percent with the new engine/equipment will require specific approval by EPA prior to purchase, and the applicant may be required to pay the additional costs associated with the higher horsepower equipment.

Date Posted: 12/27/2019

**B.i.12:** *What is the funding level for a diesel-to-electric school bus replacement?*

Answer: If you are replacing a diesel school bus with a fully electric school bus, EPA will fund 45% of the new bus.

Date Posted: 1/13/2020

**B.i.13:** *Are vehicle/equipment replacements with CARB Certified Low NOx engines limited to projects located in California?*

Answer: No.

Date Posted: 1/13/2020

**B.i.14:** *In a vehicle replacement project, must we also purchase an APU to reduce idling?*

Answer: No.

Date Posted: 1/13/2020

**B.i.15:** *How much will EPA cover for diesel bus replacement with a zero-tailpipe emission bus?*

Answer: EPA will fund 45% of the cost.

Date Posted: 1/21/2020

**B.i.16:** *For highway vehicle replacements, do eligible costs include spare parts for the replacement vehicle that are included in the purchase price of the replacement vehicle?*

Answer: It depends. We may allow a limited purchase of spare parts that are required to ensure the effective functioning of the new vehicle. This decision would be made on a case by case basis.

Date Posted: 1/21/2020

**B.i.17:** *Can a small wheel loader be replaced with a skid steer or is there a like-for-like replacement requirement?*

Answer: The replacement equipment must be of similar type and horsepower, continue to perform similar function and operation, and should resemble the replaced vehicle in form and function. Assuming the skid steer loader will perform the same work as the wheel loader and the applicant provides justification for the switch in equipment type, this would be allowed.

Date Posted: 1/21/2020

**B.i.18:** *Is the replacement of diesel vehicles with zero tailpipe emissions vehicles considered a battery electric powered or a grid electric powered replacement project?*

Answer: If the replacement buses will be battery powered, then it is considered a battery electric powered vehicle replacement project as defined in Section I.B.5.e. of the RFA.

Date Posted: 2/7/2020

**New B.i.19:** *Please clarify the distinction between Section I.B.5.c, Section I.B.5.e, and I.B.5.i. Specifically, which costs for electric infrastructure are eligible in a TRU replacement project.*

Answer: The difference is based on whether the infrastructure is used to charge a battery powered TRU, or whether the infrastructure is used to provide electricity to TRUs that would otherwise require the operation of a diesel engine while the TRU is stationary (i.e. idle reduction technology). A TRU replacement project may be implemented as a stand-alone project, an electrified parking space (EPS) for electric standby TRUs or hybrid electric TRUs project may be implemented as a stand-alone project, or EPS may be implemented in combination with the replacement of TRUs with electric standby TRUs or hybrid electric TRUs. In this latter example, the EPS costs may be funded at 30% and the TRU replacement costs may be funded at 25%.

Section I.B.5.c describes the eligible costs when replacing an existing diesel TRU with a battery electric TRU. If purchasing a fully battery electric TRU, eligible costs can include the purchase and installation of one charging unit per battery electric TRU, including the unit and charging cable, mount and/or pedestal. Ineligible costs include power distribution to the pedestal, electrical panels and their installation, upgrades to existing electrical panels or electrical service, transformers and their installation, wiring/conduit and its installation, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g. batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation. Hybrid electric TRUs and standby electric TRUs are not battery powered, therefore replacement with hybrid electric TRUs and standby electric TRUs does not include charging infrastructure.

Section I.B.5.i. describes the eligible costs to install EPS to reduce idling of electric standby TRUs or hybrid electric TRUs that would otherwise require the operation of a diesel engine while the TRU is stationary. Eligible costs for EPS projects can include the purchase and installation of certain equipment required for power delivery directly related to the new equipment. Eligible costs include design and engineering, electrical panels, upgrades to existing electrical panels or electrical service, transformers, wiring/conduit, and installation. Ineligible costs include power distribution to the property line, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g. batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation.

Section I.B.5.e describes the eligible costs for grid powered replacements. In the context of



TRUs, this refers to stationary refrigerated trailers where the diesel TRU will be removed and grid electric power will be run to permanently power the refrigeration unit.

Date Posted: 2/21/2020

## ii. Engine Replacements

**B.ii.1:** *For marine engine replacements, do eligible costs include items required in addition to the new engine (such as gears, controls, and shipyard costs)?*

Answer: Yes. Eligible costs for engine replacement projects can include equipment and parts included in the certified engine configuration and/or are required to ensure the effective installation and functioning of the new technology. Eligible costs include design and engineering, parts and materials, and installation. For engine replacement with battery, fuel cell, and grid electric, eligible costs include electric motors, electric inverters, battery assembly, direct drive transmission/gearbox, regenerative braking system, vehicle control/central processing unit, vehicle instrument cluster, hydrogen storage tank, hydrogen management system and fuel cell stack assemblies. These costs are subject to the mandatory cost share requirements defined in Section III.B.1. Shipyard costs are also eligible and should be included in the "other" cost category in applications.

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**B.ii.2:** *Will this grant cover 100% of the cost of an engine replacement in a truck?*

Answer: No. EPA will fund up to 40% of the cost (labor and equipment) of replacing a diesel engine with a diesel or alternative fueled engine (including hybrids) certified to EPA emission standards; up to 50% of the cost of replacing diesel engine with an engine certified to meet CARB's Optional Low-NOx Standards; up to 60% of the cost (labor and equipment) of replacing a diesel engine with a zero-tailpipe emissions power source (grid, battery, or fuel cell).

Date Posted: 12/9/2019

**B.ii.3:** *Does the best achievable technology analysis have to be conducted by an engine manufacturer or installer? Can a naval architect firm conduct the analysis instead?*

Answer: No. The best achievable technology analysis must be conducted by an engine manufacturer or installer. In order for an engine manufacturer to produce a new replacement engine that is no longer covered by a certificate of conformity (i.e. that meets previous model year emission standards), engine manufacturers are required under 40 CFR 1042.615 and 1068.240 to use good engineer judgment to make a determination that there are no Tier 4 engines currently produced that meet the appropriate physical or performance characteristics to repower the vessel. The manufacturer must submit their records describing how they made this determination to EPA in accordance with the applicable regulations. This same information required for the replacement engine exemption can be submitted to the DERA program to fulfill the best achievable technology analysis requirement.

Date Posted: 12/27/2019

**B.ii.4:** *What is the cost share for a ferryboat engine replacement from an unregulated engine to Tier 4 diesel engine?*

Answer: EPA will fund up to 40% of a new EPA certified diesel engine; the applicant and/or fleet owner is responsible for 60% of the cost of a new EPA certified diesel engine.

Date Posted: 1/13/2020

**B.ii.5:** *Which certified electric battery buses are eligible as replacement vehicles?*

Answer: Commercially available zero tailpipe emissions vehicles and equipment do not require EPA or CARB certification. Demonstration vehicles and/or prototypes are not eligible for funding.

Date Posted: 1/21/2020

**B.ii.6:** *Are applicants required to submit a best achievable technology analysis for all marine engine replacements? What about marine engines below 803 HP?*

Answer: Applicants replacing marine engines are expected to use Tier 4 engines if Tier 4 engines with the appropriate physical and performance characteristics are available. Tier 4 engines do not exist for Category 1 and 2 marine engines below 803 HP and Category 3 engines, therefore the best available technology is Tier 3 and a best achievable technology analysis is not required for these engines. Tier 4 engines do exist for marine engines above 803 HP and recipients will be required to submit a best achievable technology analysis to EPA for approval before Tier 3 or Tier 4i engines above 803 HP can be purchased.

Date Posted: 1/24/2020

**B.ii.7:** *Is the conversion of a ferry boat engine from diesel to hybrid/electric, including shore power infrastructure, eligible for funding? If so, what would the cost share be?*

Answer: Replacing an eligible diesel-powered propulsion engine with a hybrid diesel-electric system is an eligible DERA project, eligible for 40% EPA cost share. Under DERA, there is a distinction between charging infrastructure and shore power. We do not fund stand-alone charging infrastructure. If DERA funds are being used to replace a diesel engine with a zero emission battery electric system, eligible costs for replacing a diesel engine with a zero emission battery electric system can include the purchase and installation of one charging unit per vehicle/engine, including the unit and charging cable, mount and/or pedestal. These costs are subject to the mandatory cost share requirements defined in Section III.B.1., which are 60% EPA share and 40% applicant share. Please see Section I.B.5.c. for a detailed description of eligible and ineligible costs. Marine shorepower is categorized as an idle reduction technology. An idle reduction project is generally defined as the installation of a technology or device that reduces unnecessary idling of diesel engines and is designed to provide services electricity to vessels that would otherwise require the operation of the main drive or auxiliary engine(s) while the vessel is at berth. Eligible costs for marine shore power connection projects can include the purchase and installation of the shore side equipment and certain equipment required for power delivery directly related to the new equipment. These costs are subject to the mandatory cost share requirements defined in Section III.B.1., which is 25% EPA cost share and 75% applicant cost share. Please see Section I.B.5.k. for a detailed description of eligible and ineligible costs.

Date Posted: 1/24/2020

**B.ii.8:** *For marine engine replacements, may we replace the auxiliary engines on the vessel without replacing the propulsion engine?*

Answer: Yes, marine auxiliary generator replacement is an eligible project.

Date Posted: 1/31/2020

**New B.ii.9:** *Must all nonroad engine replacements be EMY 2020? Are used replacement engines eligible?*

Answer: No. Used engines certified to relevant EPA emission standards are eligible as replacement engines. However, applicants must commit to using the best achievable technology for the project. Applicants replacing nonroad engines are expected to use Tier 4 engines if Tier 4 engines with the appropriate physical and performance characteristics are available. If selected for funding, applicants will be required to submit a best achievable technology analysis to EPA for approval before Tier 3 or Tier 4i engines can be purchased.

Date Posted: 2/21/2020

### iii. Remanufacture Systems

**B.iii.1:** *Table 4 outlines eligible marine certified remanufacture systems and verified engine upgrades. Is there a minimum tier requirement?*

Answer: There is not a minimum tier requirement, however applications for certified remanufacture systems and verified engine upgrades should include a discussion of the available systems and indicate the pre- and post-project emission standard levels of the engines to demonstrate that the upgrade will result in a PM and/or NOx emissions benefit.

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### iv. Verified Idle Reduction Technologies

**B.iv.1:** *Are idle reduction technologies for highway vehicles eligible for funding under this RFA?*

Answer: Yes. Idle reduction projects are eligible for funding. For highway vehicles, EPA will fund up to 100% of the cost (labor and equipment) for idle reduction technologies on long haul Class 8 trucks and school buses if combined on the same vehicle with eligible verified engine retrofit technologies. EPA will fund up to 25% of the cost of stand-alone idle reduction technology installations. Lists of eligible, EPA verified idle reduction technologies are available at [www.epa.gov/verified-diesel-tech/smartway-technology](http://www.epa.gov/verified-diesel-tech/smartway-technology).

Date Posted: 12/9/2019

**B.iv.2:** *Is adding electrified parking spaces to a truck stop eligible?*

Answer: Yes. EPA will fund up to 30% of the cost (labor and equipment) of eligible electrified parking space technologies.

Date Posted: 12/9/2019

**B.iv.3:** *Is a marine shore power system eligible for funding?*

Answer: Yes. Funding can cover up to 25% of the cost (labor and equipment) of eligible marine shore power connection systems.

Date Posted: 12/9/2019

**B.iv.4:** *Do new hybrid or standby eTRU technologies need to be on EPA's Verified Technology List to be eligible as a replacement?*

Answer: No. New engines, new vehicles, and new equipment must use EPA and/or CARB certified engine configurations (i.e., have a certificate of conformity). It is idle reduction technologies, including electrified parking space technologies for use with TRUs, that must be listed on EPA's SmartWay Verified Technologies List. Engine retrofit technologies must be listed on EPA and/or CARB's Verified Retrofit Technology List. Please see the TRU Factsheet found at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa) for information on TRUs and eligible TRU projects.

Date Posted: 12/27/2019

**B.iv.5:** *Is a system to scrub the emissions from vessels at dock eligible?*

Answer: No. Marine shore connection refers to running electricity to a ship, allowing the ship to shut down its auxiliary engines when it's at berth. EPA is exploring bonnet scrubber technology as an eligible option for DERA, however it is not eligible for the 2020 RFA since those technologies have not yet been verified by EPA or CARB.

Date Posted: 12/27/2019

**B.iv.6:** *Please provide examples of verified idle reduction technologies.*

Answer: All verified idle reduction technologies are listed on the SmartWay Verified Technology List at [www.epa.gov/verified-diesel-tech/smartway-technology](http://www.epa.gov/verified-diesel-tech/smartway-technology). Examples include, but are not limited to, auxiliary power units, thermal storage systems, fuel-operated heaters, and electrified parking spaces.

Date Posted: 1/24/2020

**B.iv.7:** *Are electrified parking spaces the same as electric vehicle charging stations?*

Answer: No. Electrified parking spaces are an idle-reduction technology. Electric vehicle charging infrastructure is not eligible as a standalone project but is eligible as part of an all-electric engine or vehicle replacement project which requires vehicle charging capability for the successful operation of the new equipment. Please see Section I.B.5. of the RFA for additional information.

Date Posted: 1/24/2020

**B.iv.8:** *Can an applicant request funding for a discrete piece of a larger project? For example, can we request \$1 million in funding for part of a \$4 million marine shore power system installation? Will this satisfy the cost share requirement?*

Answer: Only eligible and allowable costs may be used for cost share. Eligible costs for marine shore power connection projects can include the purchase and installation of the shore side equipment and certain equipment required for power delivery directly related to the new equipment. Eligible costs include design and engineering, cables, cable management systems, shore power coupler systems, distribution control systems, grounding switches, service breakers, capacitor banks, electrical panels, upgrades to existing electrical panels or electrical service, transformers, wiring/conduit, and installation. These costs are subject to the mandatory cost share requirements defined in Section III.B.1. Ineligible costs include shipside modifications to accept shore-based electrical power, power distribution to the property line, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g. batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation. Further, 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. Expenses incurred prior to the project period set forth in any assistance agreement resulting from this RFA are not eligible as a cost share for proposed projects.

Date Posted: 2/7/2020

**v. Verified Retrofit Technologies**

**B.v.1:** *Can funds be used to replace existing verified retrofit technologies (DOCs, DPFs)?*

Answer: Funding cannot be used to replace an existing verified retrofit technology.

Date Posted: 12/9/2019

**B.v.2:** *Are projects for fueling infrastructure for the production and distribution of fuel biodiesel eligible?*

Answer: No. Funding cannot be used for fueling infrastructure.

Date Posted: 12/9/2019

**B.v.3:** *Which fuels are considered cleaner fuels?*

Answer: Eligible cleaner fuels and additives are limited to those verified by EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine, such as biodiesel.

Date Posted: 12/9/2019

**B.v.4:** *What project type is a locomotive engine rebuild upgrade?*

Answer: Some nonroad and marine engines can be upgraded to reduce their emissions by applying manufacturer upgrades that are retrofits currently verified by EPA or CARB as a package of components demonstrated to achieve specific levels of emission reductions. To be eligible for funding, verified retrofit technologies must be on EPA's ([www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel)) or CARB's ([www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm)) Verified Technologies lists. Some locomotives and marine engines can be upgraded through the application of a certified remanufacture system that is used to rebuild the engine to represent a cleaner certified engine configuration. To be eligible for funding, remanufacture systems for locomotives and marine engines must be certified by EPA. Lists of certified remanufacture systems are available at: [www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment](http://www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment).

Date Posted: 12/27/2019

**B.v.5:** *Can you please provide some clarity on which projects fall under the hybrid retrofit systems projects?*

Answer: Several systems which convert a conventional diesel engine configuration to a hybrid-electric system have been verified as retrofits. Please see EPA's ([www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel)) or CARB's ([www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm)) Verified Technologies lists for eligible hybrid retrofit systems.

Date Posted: 1/21/2020

**B.v.6:** *What are "engine upgrade retrofits" as listed on the Mandatory Cost Share Requirement table on page 29 of the RFA?*

Answer: Please see Section I.B.3.e. of the RFA. Diesel engine retrofits include: 1) engine exhaust after-treatment technologies, such as diesel oxidation catalysts (DOCs), diesel particulate filters (DPFs), closed crankcase filtration systems (CCVs), and selective catalytic reduction systems (SCRs); 2) Manufacturer engine upgrades which achieve specific levels of emission reductions by applying a package of components have been verified as retrofits for some nonroad and marine engines (i.e. Engine upgrade retrofits); 3) Several systems which convert a conventional diesel engine configuration to a hybrid-electric system have been verified as retrofits; and 4) Some cleaner fuels and additives have been verified as retrofits by EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine. To be eligible for funding, verified retrofit technologies must be on EPA's ([www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel)) or CARB's ([www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm)) Verified Technologies lists at the time of acquisition, must be used only for the vehicle/engine application specified on the lists, and must meet any applicable verification criteria.

Date Posted: 1/21/2020

**B.v.7:** *Is renewable diesel an eligible cleaner fuel?*

Answer: Eligible cleaner fuels and additives are limited to those verified by EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine, such as biodiesel. Currently, renewable diesel is not verified on either list. Eligible biodiesel fuel must meet the requirements of American Society of Testing and Materials (ASTM) D 6751. To be eligible for funding, verified fuels must be for new or expanded use, and must be used in combination, and on the same vehicle, with a new eligible verified engine retrofit or an eligible engine upgrade or an eligible certified engine, vehicle, or equipment replacement funded under this RFA.

Date Posted: 1/24/2020

**B.v.8:** *Can a public entity receive funding if they switch to Renewable Diesel?*

Answer: No. Not all registered fuels have been verified for use as emission reduction retrofit technologies. Some cleaner fuels and additives have been verified as retrofits by EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine (such as biodiesel). To be eligible for funding, verified retrofit technologies must be on EPA's ([www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel)) or CARB's ([www.arb.ca.gov/diesel/verdev/vt/cvt.htm](http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm)) Verified Technologies lists. Renewable diesel generally refers to all diesel fuels derived from biomass that meet the standards of ASTM D975 and is chemically the same as petrodiesel. Verified biodiesel meets ASTM D6751.

Date Posted: 2/7/2020

**vi. Clean Alternative Fuel Conversions**

**B.vi.1:** *Are alternative fuel conversions eligible?*

Answer: Yes. 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](http://www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems); CARB's list of "Approved Alternate Fuel Retrofit Systems" is available at [www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm](http://www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm). To be eligible for funding, conversion systems for engine model years 1996-2006 must achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standard of the original engine. To be eligible for funding, conversion systems for engine model years 2007 and newer must achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standard of the original engine.

Date Posted: 12/9/2019

**vii. Verified Aerodynamic Technologies and Low Rolling Resistance Tires**

No questions at this time.

**viii. Miscellaneous**

**B. viii.1:** *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 RFA are not eligible as a cost share for proposed projects.

Date Posted: 12/9/2019

**B.viii.2:** *What types of hybrid projects are eligible?*

Answer: Hybrids are eligible as full vehicle replacement or as a full engine replacement (i.e., the purchase of an OEM certified engine configuration), or as the installation of a verified retrofit technology (currently only available for certain tugboats and rubber tire gantry cranes).

Date Posted: 12/9/2019

**B.viii.3:** *Can funds be used for automated emission detection systems or inspection/maintenance facilities?*

Answer: No.

Date Posted: 12/9/2019

**B.viii.4:** *Is there a list of technologies eligible for funding?*

Answer: Please see Section I.B, Scope of Work, in the RFA for a full description of eligible diesel emissions reduction solutions.

Date Posted: 12/9/2019

**B.viii.5:** *What projects are eligible for eTRUs and solar TRUs?*

Answer: Eligible diesel powered TRUs may be replaced with new, electric standby TRUs, hybrid electric TRUs, or electric transport refrigerators. Please refer to the 2020 DERA TRU Factsheet available under supporting documents at [www.epa.gov/cleandiesel/clean-diesel-national-grants](http://www.epa.gov/cleandiesel/clean-diesel-national-grants) for information on eligible TRU projects.

Date Posted: 12/9/2019

**B.viii.6:** *Are electric charging stations eligible for funding?*

Answer: Electric vehicle charging infrastructure is not eligible as a standalone project but is eligible as part of an all-electric engine or vehicle replacement project which requires vehicle charging capability for the successful operation of the new equipment.

Date Posted: 12/9/2019

**B.viii.7:** *May we use funding to purchase propane buses without scrapping any old buses?*

Answer: No. EPA requires that replaced engines, vehicles, and equipment are scrapped to ensure emissions reductions are achieved per Section III.D.8 of the RFA.

Date Posted: 12/9/2019

**B.viii.8:** *Is expanding our fleet with new electric vehicles eligible?*

Answer: No. New vehicle purchases must replace an existing, older, diesel-powered vehicle.

Date Posted: 12/9/2019

**B.viii.9:** *Can funds be used for research and development projects?*

Answer: No. DERA grants cannot fund research and development and DERA grants cannot fund technology demonstration, commercialization, certification or verification.

Date Posted: 12/9/2019

**B.viii.10:** *Is propane fueling infrastructure eligible as part of a vehicle replacement project which requires propane fueling capability for the successful operation of the new equipment?*

Answer: No, funds awarded under this RFA cannot be used for propane fueling infrastructure.

Date Posted: 12/27/2019

**B.viii.11:** *What's the difference between an engine retrofit and alternative fuel conversion?*

Answer: An engine retrofit is a device (e.g., a diesel particulate filter) added to an existing diesel engine that will change the emissions profile of the engine. A clean alternative fuel conversion alters an existing diesel engine to operate on alternative fuels such as propane and natural gas. See Sections I.B.3.e. and f. of the RFA for additional information.

Date Posted: 1/13/2020

**B.viii.12:** *Is the purchase of seat belts eligible for funding under this RFA?*

Answer: Not as stand-alone equipment. Seat belts may be included in the purchase price of a new vehicle.

Date Posted: 1/13/2020



**B.viii.13:** *Is replacing the chassis on an ambulance eligible if the diesel engines are still in good condition?*

Answer: No, as there is no emission reduction associated with replacing a chassis.

Date Posted: 1/24/2020

**B.viii.14:** *Could we propose a commercial business improvement, such as emissions credits?*

Answer: No, funds cannot be used for emissions credit programs.

Date Posted: 1/24/2020

## **C. Vehicle, Equipment, and Engine Eligibility**

**C.1:** *Is equipment that must be replaced due to a State or Local regulation eligible for funding?*

Answer: Yes. The mandated measures restriction does not apply to replacements that must occur due to a State or Local mandate.

Date Posted: 12/9/2019

**C.2:** *Are commercial vehicles eligible?*

Answer: Yes, commercial vehicles are eligible for funding under this RFA, however private entities are not eligible to apply directly to EPA for funding. An eligible entity can provide funding/benefits to private fleet owners through subawards and rebates.

Date Posted: 12/9/2019

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

Answer: For the purposes of this RFA, 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).

Date Posted: 12/9/2019

**C.4:** *What engine model years are eligible?*

Answer: Eligibility varies by engine type. Please see Section I.B.4 of the RFA for specifics: for highway, see Table 2; for nonroad, see Table 3; for marine, see Table 4; and for locomotive, see Table 5. Vehicles and equipment must also meet the ownership, usage, and remaining life requirements defined in Section I.B.6 of the RFA.

Date Posted: 12/9/2019

**C.5:** *What is a "reefer"?*

Answer: Refrigerated (insulated) trailers/containers are sometimes called reefers.

Date Posted: 12/9/2019

**C.6:** *What is a "transport refrigeration unit"?*

Answer: A transport refrigeration unit (TRU) has a refrigeration system that is mechanically driven by an integral diesel engine. TRUs are installed on an insulated cargo trailers, shipping containers or rail cars and used in transporting temperature sensitive goods. Truck TRUs are used to refrigerate insulated cargo trailers mounted on the frame of a straight truck. Trailer TRUs are used to refrigerate insulated trailers mounted on semitrailers. Railcar TRUs are used to refrigerate insulated railcars. Please refer to the 2020 DERA TRU Factsheet available under supporting documents at [www.epa.gov/cleandiesel/clean-diesel-national-grants](http://www.epa.gov/cleandiesel/clean-diesel-national-grants) for additional details.

Date Posted: 12/9/2019



**C.7: *What types of vehicles, engines, and equipment are eligible?***

Answer: Eligible heavy-duty diesel emission source types include school buses, Class 5-8 highway vehicles, marine engines, locomotives, and nonroad engines, equipment or vehicles (used in construction, cargo handling, agriculture, mining, or energy production). Vehicles, engines, and equipment targeted for upgrades must meet all applicable eligibility criteria as defined in the RFA.

Date Posted: 12/9/2019

**C.8: *Must vehicles be licensed and registered to the applicant for a specific time period?***

Answer: The participating fleet owner must currently own and operate the existing vehicle or equipment and have owned and operated the vehicle during the twenty-four months prior to upgrade.

Date Posted: 12/9/2019

**C.9: *Are vehicles that are scheduled for retirement next year eligible?***

Answer: No. To be eligible for funding, existing vehicles, engines, equipment and technologies must have at least three years of remaining life as defined in Section I.B.6.c.

Date Posted: 12/9/2019

**C.10: *Which highway vehicles are eligible for idle reduction projects?***

Answer: SmartWay-verified idle reduction technologies are available only for long-haul, Class 8 trucks and school buses. Please see the SmartWay verified list at [www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school](http://www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school).

Date Posted: 12/9/2019

**C.11: *Must a fleet replace its oldest eligible vehicles before its newer eligible vehicles?***

Answer: No, any vehicle meeting the eligibility requirements is eligible for funding.

Date Posted: 12/9/2019

**C.12: *Is replacing a 2007-2009 engine model year vehicle with a 2018+ engine model year vehicle eligible for funding?***

Answer: Yes. A vehicle with engine model years 2007-2009 is eligible for replacement with a vehicle with 2018+ engine model year.

Date Posted: 12/9/2019

**C.13: *Are transit buses eligible for hydrogen fuel cell powered bus replacement?***

Answer: Yes. Hydrogen fuel cell vehicles and equipment are eligible as replacements for eligible transit buses, shuttle buses, drayage trucks, terminal tractors/yard hostlers, stationary generators and forklifts.

Date Posted: 12/9/2019

**C.14: *Are transport refrigeration units (TRUs) eligible for replacement?***

Answer: Yes. Diesel powered TRUs and TRU gen sets are eligible as nonroad equipment replacements if the existing TRU nonroad engine meets ownership, usage, and remaining life requirements. Please refer to the 2020 DERA TRU Factsheet available under supporting documents at [www.epa.gov/cleandiesel/clean-diesel-national-grants](http://www.epa.gov/cleandiesel/clean-diesel-national-grants) for information on eligible TRU projects.

Date Posted: 12/9/2019

**C.15: Are locomotives eligible for the DERA National Grant?**

Answer: Yes. Locomotives are eligible for retrofit and replacement as long as they meet the ownership, usage, and remaining life requirements outlined in the RFA.

Date Posted: 12/27/2019

**C.16: Are shuttle buses (i.e., buses used to transport senior citizens or youth with special needs) eligible?**

Answer: Shuttle buses are eligible if they are Class 5 or above, and meet the ownership, usage, and remaining life requirements defined in the RFA.

Date Posted: 12/27/2019

**C.17: According to the RFA, the minimum eligibility usage for nonroad engines is 500 hours for each proceeding 12-month period. The webinar slide says 250 hours. Which is correct?**

Answer: The correct amount is 500 hours. There was an error on the slide, but the information in the RFA is correct.

Date Posted: 12/27/2019

**C.18: How do we demonstrate that a vehicle meets the remaining life requirements?**

Answer: The existing vehicle, engine, or equipment must have at least three 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. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance and climate. Please provide your best estimate given these considerations.

Date Posted: 12/27/2019

**C.19: Are county airport shuttle buses eligible for replacement?**

Answer: Yes. Shuttle buses are eligible if they are Class 5-8 and meet the ownership, usage, and remaining life requirements defined in the RFA.

Date Posted: 12/27/2019

**C.20: Are vehicles leased with an intent to own eligible?**

Answer: No. In order to satisfy the mandatory cost share requirements, vehicles must be paid in full before the end of the grant project period (typically 2-3 years). Therefore, current DERA policy does not allow vehicle leasing.

Date Posted: 12/27/2019

**C.21: What is the process for establishing eligibility for new retrofit technologies for the first time?**

Answer: To be eligible for DERA funding, retrofit technologies need to be verified by EPA or CARB. Please visit [www.epa.gov/verified-diesel-tech/overview-verification-process-clean-diesel-technology](http://www.epa.gov/verified-diesel-tech/overview-verification-process-clean-diesel-technology) for information on EPA's retrofit technology verification program.

Date Posted: 1/13/2020

**C.22: Do drayage vehicle replacements have to meet the 7,000 miles per year requirement?**

Answer: Yes.

Date Posted: 1/13/2020

**C.23:** *Can two diesel vehicles with 3,500 annual miles be scrapped and replaced with one electric vehicle?*

Answer: Yes, you may combine vehicles to meet the usage threshold. Two diesel vehicles that each get 3,500 annual miles could both be scrapped and replaced with one vehicle.

Date Posted: 1/13/2020

**C.24:** *Are there fuel purchase requirements for the old truck?*

Answer: No. You are expected to report the amount of fuel you use, but there aren't specific limits or thresholds.

Date Posted: 1/13/2020

**C.25:** *Is the two-year equipment ownership requirement based on the application submittal date or when the equipment is replaced if a grant is awarded?*

Answer: The two-year ownership timeline is based on when the equipment is replaced.

Date Posted: 1/13/2020

**C.26:** *Are 2004/2005 model year diesel hybrid transit buses eligible for replacement?*

Answer: Yes, if they meet the ownership, usage, and remaining life requirements outlined in the RFA.

Date Posted: 1/13/2020

**C.27:** *Are existing zero-emission vehicles eligible for funding to convert to them to run on CNG?*

Answer: No. Existing vehicles targeted for upgrade must be powered by diesel.

Date Posted: 1/13/2020

**C.28:** *Are nonroad equipment and vehicles with diesel engines eligible for funding if they operate 500+ hours at a commuter rail public transit agency?*

Answer: Yes.

Date Posted: 1/13/2020

**C.29:** *If a vehicle fleet is owned by an eligible entity but is operated by a private contractor, are the vehicles still eligible for replacement? Section B.6.B of the RFA says the fleet owner must own and operate the fleet for 2 years prior upgrade to upgrade.*

Answer: Yes, the vehicles are eligible for funding. The vehicles are technically operated by the owner since they manage the contract.

Date Posted: 1/21/2020

**C.30:** *Our fire engines are stationary during use and do not meet the minimum usage requirements. May we use idle time instead of mileage?*

Answer: No. The usage requirement applies to fire engines. However, vehicle mileage may be combined to reach the thresholds where two vehicles will be scrapped and replaced with a single vehicle.

Date Posted: 1/21/2020

**C.31:** *Can we use the "Remaining Life of Baseline Engine/Vehicle" value from EPA's Diesel Emissions Quantifier (DEQ) to determine if a vehicle has at least three years of remaining life?*

Answer: No, the DEQ remaining life values are only default values. For the RFA, 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. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance and climate.

Date Posted: 1/24/2020

**C.32:** *What model year refuse haulers and trucks are eligible for replacement with 2018 or newer diesel trucks under this RFA?*

Answer: Class 5 through Class 8 highway vehicles that are engine model year 2009 or older are eligible for replacement with 2018 or newer diesel vehicles as long as the existing vehicles meet the ownership, usage, and remaining life requirements in Section I.B.6. of the RFA.

Date Posted: 1/31/2020

**C.33:** *Are vehicles that are "retired" from one fleet and sold to another eligible for funding if they have at least 3 years of remaining life left?*

Answer: To be eligible, the current owner must have owned and operated the vehicle for two years, the current owner must attest to the vehicle having at least three years of remaining life (the remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet), and the vehicle must have accumulated at least 7000 miles per year over the past two years.

Date Posted: 1/31/2020

**C.34:** *Are municipal diesel-powered lawnmowers eligible?*

Answer: Yes. All heavy equipment powered with nonroad compression-ignition diesel engines is eligible if it meets all applicable eligibility criteria, such as ownership, usage, and remaining life requirements.

Date Posted: 2/7/2020

**C.35:** *Are diesel street sweepers considered highway or nonroad vehicles?*

Answer: If the existing main propulsion engine is a certified highway engine, then the vehicle would be considered a highway vehicle and must meet the eligibility criteria in Section I.B.4, Table 2. If the existing main propulsion engine of the vehicle is a certified nonroad engine, then the vehicle would be considered a nonroad vehicle and must meet the eligibility criteria in Section I.B.4, Table 3.

Date Posted: 2/14/2020

**C.36:** *The RFA states that the fleet owner must currently own and operate the existing vehicle or equipment and have owned and operated the vehicle or equipment during the 24 months prior to upgrade. Please clarify when the "24 months prior to upgrade" begins.*

Answer: The fleet owner must have owned and operated the vehicle or equipment during the 24 months prior to the actual upgrade activities (i.e. when the vehicle is replaced).

Date Posted: 2/14/2020

**C.37:** *Are transit buses considered "highway vehicles" under the RFA? If so, do they need to meet the highway vehicle usage requirement?*

Answer: Yes. A transit bus with a certified highway engine is considered a highway vehicle and must have accumulated at least 7,000 miles during each twelve-month period during the twenty-four months prior to upgrade.

Date Posted: 2/14/2020

**New** **C.38:** *Is EPA approval for a nonroad horsepower increase over 40% needed prior to submitting the application? Are there any exceptions due to vehicle age?*

Answer: Approval to exceed the horsepower by 40% is not needed prior to submitting the application. You should include your rational/justification for the increase in HP in your proposal. If your project is selected for funding and the increase in HP is justified and does not significantly reduce the emission benefits of the project, then we may approve the HP increase and fund it at the full cost share. If your project is selected for funding and the increase in HP is not justified, and/or significantly reduces the emission benefits of the project, then we may offer to fund it at a reduced cost share.

Date Posted: 2/21/2020

## D. Application Process

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

Answer: While EPA cannot release specific information on grant applications, information on all previously funded projects may be found at [www.epa.gov/cleandiesel/clean-diesel-national-grants-awarded](http://www.epa.gov/cleandiesel/clean-diesel-national-grants-awarded).

Date Posted: 12/9/2019

### Updated D.2: *How do I submit my application?*

Answer: The Request for Applications (RFA) contains all project eligibility and application submission information. The RFA, as well as a sample project narrative and a sample applicant fleet description may be found at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa). Applicants must download an application package, which contains standard forms (SF) 424, SF 424A, EPA Form 4700-4, and the EPA form 5700-54 from [Grants.gov](http://Grants.gov) under Funding Opportunity Number EPA-OAR-OTAQ-20-02.

Please note that as of February 3, 2020, applicants are no longer required to submit SF-424B, Assurances for Non-Construction Programs, with their applications. This change is outlined in the February 4, 2020 RFA Amendment No. 2 summary of changes memo, available at [www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf](http://www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf).

The project narrative and any supporting documents should be attached to the application package, and the full package submitted to EPA through [Grants.gov](http://Grants.gov) using the "Workspace" feature. You will find instructions to submit your application via [Grants.gov](http://Grants.gov) in Appendix A of the RFA. Please refer to the application submission checklist in Appendix F of the RFA to ensure that all required information is included in your package. If your organization is not currently registered with [Grants.gov](http://Grants.gov), please begin the registration process as soon as possible. Please note that the registration process also requires that your organization have a Unique Entity Identifier (e.g., DUNS number) and a current registration with the System for Award Management ([SAM.gov](http://SAM.gov)). You may use the tool at [iupdate.dnb.com/iUpdate/viewiUpdateHome.htm](http://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm) to lookup your company's DUNS number. Please visit [www.sam.gov](http://www.sam.gov) to check the status of your organization's SAM registration.

Date Posted: 2/14/2020

### D.3: *Is funding available nationwide?*

Answer: Yes, eligible project locations include the 50 United States, District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. However, applicants must request funding from the EPA regional office which covers their geographic project location. The term "project location" as used in this RFA refers to the area(s) where the affected vehicles/engines operate. The geographic boundaries for each EPA regional office are defined in Section IV.A of the RFA.

Each application should have the EPA Region from which they are requesting funding clearly listed on the cover page of the project narrative. Each application may only request funding from one EPA regional office. Applicants can submit a total of 10 applications overall under this solicitation. No more than three applications may be submitted to the same EPA Region. However, each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e., the same target fleet or group of fleets).

Date Posted: 12/9/2019

**D.4: *Can multiple organizations apply under one project application?***

Answer: Only one eligible entity may be listed as the applicant on the application. If selected for funding, the applicant organization is the direct recipient of the EPA funds and the recipient is responsible for overall project management, all required reporting, and is accountable to EPA for the proper expenditure of funds. However, applicants can form partnerships with other entities for the purposes of the grant. The applicant can provide funding/benefits to fleet owners through subgrants and rebates in accordance with the applicable EPA grant regulations and the terms and conditions of the award. The application should clearly explain the roles and responsibilities of all project partners. See Appendix E for more details on funding partnerships.

Date Posted: 12/9/2019

**D.5: *Is there a minimum amount of funding that can be requested in an application?***

Answer: No, there is no minimum amount of funding you must request.

Date Posted: 12/9/2019

**D.6: *Will DERA National Grants be available in 2021?***

Answer: Future funding is contingent upon Congressional appropriation. EPA will announce any future Clean Diesel funding opportunities via the website and email list.

Date Posted: 12/9/2019

**D.7: *Is funding for this program tied to the VW settlement?***

Answer: No. Funding from the VW settlement is not related to the DERA National Grants. The DERA Option in the VW Consent Decree pertains to the State Clean Diesel Program and the Tribal DERA Grant Program. For more information, visit [www.epa.gov/cleandiesel/volkswagen-vw-settlement-dera-option](http://www.epa.gov/cleandiesel/volkswagen-vw-settlement-dera-option).

Date Posted: 12/9/2019

**D.8: *How many applications will be funded per Region?***

Answer: The number of applications funded per Region will vary based on the number of applications received and the size and quality of applications. Generally, EPA anticipates 2-8 applications funded per Region.

Date Posted: 12/9/2019

**D.9: *Will Information Session slides or recordings be available?***

Answer: The Information Session slides will be posted at: [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa) after the first information session. A recording will not be available.

Date Posted: 12/9/2019

**D.10: *May we use our organization's existing DUNS number?***

Answer: Yes. Applicants do not need to obtain a new DUNS number if they already have one. To find your company's DUNS number, please visit [iupdate.dnb.com/iUpdate/viewiUpdateHome.htm](http://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm).

Date Posted: 12/9/2019

**D.11: *What is the applicant's mandatory cost share requirement?***

Answer: Applicants are responsible for cost sharing between 0% and 75% of the project cost, depending on the project type. For a detailed description of the cost sharing guidelines, please see Section III.B of the RFA.

Date Posted: 12/9/2019



**D.12: *How much funding is available for each Region?***

Answer: Please see Table 5. Funding Limits by Region on page 25 of the RFA.

Date Posted: 12/9/2019

**D.13: *Can VW funds be used as cost share?***

Answer: No, VW funds cannot be used as a cost share under DERA National Grants.

Date Posted: 12/9/2019

**D.14: *Do I have to include emissions reductions in my application?***

Answer: Yes, applicants must calculate the anticipated outputs and outcomes of the project and attach their emissions reduction calculations. If using EPA's Diesel Emissions Quantifier (DEQ), attach a printout of the DEQ results spreadsheet showing DEQ results and inputs. If quantifying using an alternative method, please thoroughly describe and document your methods and results. The inputs used for emissions calculations should match the information provided by the applicant in the applicant fleet description.

Date Posted: 12/9/2019

**D.15: *Where can I find the most recent list of priority areas?***

Answer: The 2020 Priority Area List is available under supporting documents at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa).

Date Posted: 12/9/2019

**D.16: *If an eligible entity doesn't have specific vehicles identified for the grant application, is it acceptable to propose a more general project, such as a rebate program for Class 5-8 heavy-duty diesel local delivery truck replacements? If so, how do we fill out the AFD and calculate benefits?***

Answer: Yes, an applicant may propose a project where the specific fleets/vehicles are not yet identified. However, the applicant should describe how they intend to target, prioritize, select or recruit fleets (including any location or sector criteria); how they intend to administer funds (rebates or subgrants); and the roles and responsibilities of any project partners. Applicants should use their best judgment to complete the AFD and estimate emission reductions based on their knowledge or assumptions about potential participating fleets and the types and number of technologies to be funded. The Diesel Emission Quantifier supplies default factors for many types of fleets. Please see Appendix E of the RFP for more detailed information on how to fund projects and partnerships.

Date Posted: 12/9/2019

**D.17: *Do all counties on the 2020 Priority Area List receive the same number of priority location points?***

Answer: Project locations in counties designated as PM 2.5 or 8-hr Ozone Nonattainment or Maintenance will receive up to 10 points under Section V.A, Criterion #2.A. Project locations in counties where all or part of the population is exposed to diesel PM concentrations above the 80th percentile for diesel PM (see NATA column) will receive up to 5 points under Section V.A, Criterion #2.B. An application may receive points for both Section V.A, Criterion #2.A and #2.B. If a single proposal includes vehicles operating in more than one location, the Project Narrative should indicate where each vehicle operates and the percent of time spent in each area. Priority area points will be prorated based upon the percent of time spent in the priority area.

Date Posted: 12/9/2019

**D.18:** *Can an applicant use both DERA National grant funds and VW Mitigation funds received from the State on the same project?*

Answer: DERA cannot be used to fund the same vehicle that is also receiving VW Mitigation funds. combination of National DERA grant funds and VW Environmental Mitigation Trust Funds. However, funds from one program may be used to expand a project funded by another program. For example, a school may replace 20 buses with VW Mitigation funds and replace another 20 buses with DERA National Grant funds.

Date Posted: 12/9/2019

**D.19:** *How is the competitive pool divided between EPA Regions?*

Answer: To allocate funding, EPA uses a formula based on population and air quality in each EPA Region. Section 2A of the RFA has a table showing the total amount of funding anticipated for each Region, as well as the funding limit per application.

Date Posted: 12/27/2019

**D.20:** *Is the DERA National Grant the same as Ohio's Diesel Mitigation Trust Fund (DMTF) grant?*

Answer: No. The DERA National Grant is a federal funding opportunity administered by EPA. The DMTF grant is administered by Ohio EPA and is funded through Ohio's share of the Volkswagen Mitigation Trust Fund.

Date Posted: 12/27/2019

**D.21:** *Does EPA publish application scores for projects funded in the past?*

Answer: No. Only a list of funded projects and awardees are published on the website.

Date Posted: 12/27/2019

**D.22:** *If an organization received a prior award, what are the chances of getting another award?*

Answer: Past awards have little bearing on whether an applicant receives funding. However, EPA does review awardees' past performance which could increase or decrease an applicant's chance of receiving an award. If an applicant has not received funding from relevant assistant agreements in the past, they will receive a neutral score for the past performance evaluation criterion.

Date Posted: 12/27/2019

**D.23:** *Will the same information be presented at the three information sessions?*

Answer: Yes.

Date Posted: 12/27/2019

**D.24:** *What is the maximum funding amount per application that can be requested?*

Answer: Total funding and funding limits by Region are available in Section II, Table 5 of the RFA.

Date Posted: 12/27/2019

**D.25:** *Are DERA awards ever scalable? If so, where would the accepted amounts and justification of a scaled award be indicated in the application materials?*

Answer: DERA projects are often scalable. You should base your application (budget, results, timeline, etc) on the top-end of the scale and note in your application that the project is scalable downward. In appropriate circumstances, EPA may partially fund applications by funding discrete portions of proposed projects. Alternatively, EPA may incrementally fund applications by funding phases of proposed projects. If an applicant is selected for partial or incremental funding, EPA and the applicant will negotiate a final workplan, timeline and budget which has clearly delineated activities or phases.

Date Posted: 12/27/2019



**D.26:** *If we applied last year, can we get reviewer feedback on our application?*

Answer: When you were notified of selection or non-selection, you should have been given the option of an application debrief. During the debrief, the applicant panel discusses the application's strengths and weakness. We recommend locating the notification of project status from last year to find the contact information for an application debrief.

Date Posted: 12/27/2019

**D.27:** *Should we apply if the project location is not on the Priority Area List?*

Answer: All eligible applicants and projects are encouraged to apply. However, only projects in priority areas will receive priority area points under Section V.A, Criterion #2.

Date Posted: 12/27/2019

**D.28:** *Which EPA Region are we located in?*

Answer: Section IV.A of the RFA lists states by EPA Region. You can also view a map at [www.epa.gov/aboutepa#pane-4](http://www.epa.gov/aboutepa#pane-4).

Date Posted: 12/27/2019

**D.29:** *Is a Certificate of Destruction required as evidence of disposal?*

Answer: For the 2020 DERA National Grant, applicants are required to submit a scrappage statement. While it is not identical to the Certificate of Destruction used in prior years, it asks for similar information. The RFA provides guidance on completing a scrappage statement and a sample scrappage statement is available on the Clean Diesel website: [www.epa.gov/cleandiesel/clean-diesel-national-grants](http://www.epa.gov/cleandiesel/clean-diesel-national-grants).

Date Posted: 12/27/2019

**D.30:** *In the Budget section of the application, should the cost of replacement vehicles fall under the "Equipment" category or the "Other" category?*

Answer: If the grantee is buying the vehicle, it should be noted under Equipment. If the grantee will be administering a subgrant or rebate, it should fall under "Other."

Date Posted: 12/27/2019

**D.31:** *Are rail yards owned by a public, commuter rail service considered "goods movement facilities"?*

Answer: Yes. Ownership (whether the rail yards are public or private) does not affect that designation.

Date Posted: 1/13/2020

**D.32:** *For a local municipality, would the Chief of Fleet Management serve as the Vehicle Owner for the Eligibility and Scrappage Statements?*

Answer: The vehicle owner is the municipality, so any authorized representative of the municipality can sign the eligibility and scrappage statements.

Date Posted: 1/21/2020

**D.33:** *Should the Applicant Fleet Description describe the entire fleet or only the vehicles in the fleet being proposed in the application?*

Answer: The Applicant Fleet Description should only describe the vehicles in the application that are targeted for upgrades.

Date Posted: 1/21/2020

**D.34:** *Can applications include subawards and subrecipients?*

Answer: Yes.

Date Posted: 1/21/2020

**D.35:** *Can we apply to receive full EPA cost share funding for most vehicles and partial EPA cost share funding for an additional vehicle, up to the maximum allowable EPA cost share?*

Answer: Yes.

Date Posted: 1/21/2020

**D.36:** *Is there a sample eligibility statement for proposed marine projects?*

Answer: No. However, the sample provided can be easily modified to include the applicable vessel and engine information. Participating fleet owners must attest to meeting the relevant ownership, usage and remaining life requirements outlined in the RFA in a signed eligibility statement. This statement should include applicable details such as vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state.

Date Posted: 1/21/2020

**D.37:** *I see the amendment to the 2020 DERA RFA. Are there any other changes to the RFA other than that identified in the amendment itself?*

Answer: No. Amendment No. 1 only updated pages 29-30 under Section III.B.1 regarding the cost sharing and matching requirements for Insular Area applicants.

Date Posted: 1/21/2020

**D.38:** *Does Executive Order 12372, "Intergovernmental Review of Federal Programs," apply to this funding opportunity?*

Answer: Yes, the DERA National Grants program is eligible for coverage under E.O. 12372. An applicant should consult the office or official designated as the single point of contact in his or her State to determine if the State has selected this program for review, and for more information on the process the State requires to be followed in applying for assistance.

Date Posted: 1/24/2020

**Updated D.39:** *If our organization's Authorized Certifying Official has attested to and signed SF-424B and EPA Form 4700-4 within the last 12 months (July 2019), may we use these documents in our current DERA application, providing the information is the same?*

Answer: Applicants should fill out and sign new forms, using the versions included in the [grants.gov](https://www.epa.gov/grants) application package. EPA Form 4700-4 is required for all initial applications as indicated in RAIN-2018-G07-R, Full Application Submission with Initial Proposal Submission Requirement. Please note that as of February 3, 2020, applicants are no longer required to submit SF-424B, Assurances for Non-Construction Programs, with their applications. This change is outlined in the February 4, 2020 RFA Amendment No. 2 summary of changes memo, available at: [www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf](https://www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf).

Date Posted: 2/14/2020

**D.40:** *How many FY2019 applications were received in each Region?*

Answer: EPA received 109 applications under the 2019 DERA National Grants competition as follows: Region 1: 7; Region 2: 12; Region 3: 12; Region 4: 10; Region 5: 12; Region 6: 11; Region 7: 11; Region 8: 6; Region 9: 17; Region 10: 11.

Date Posted: 1/24/2020

**D.41:** *Is a waste water utility considered a goods movement facility in terms of points?*

Answer: It is unlikely that a waste water utility would meet the definition of ports, airports, rail yards, terminals, or distribution centers given in the RFA.

Date Posted: 1/24/2020

**D.42:** *Why can't VW mitigation funds be used as match for a DERA National Grants project and vice versa?*

Answer: This was written into the VW Settlement Consent Decree. VW and DERA National Grants funding are intended to fund separate sets of vehicles. However, VW mitigation funds may be used as a voluntary match under the DERA State Grants program.

Date Posted: 1/24/2020

**D.43:** *Is there a minimum point threshold required to be selected for funding?*

Answer: In general, applications are selected in rank order. There is not a defined minimum point threshold.

Date Posted: 1/24/2020

**Updated D.44:** *Grants.gov shows the SF-424 form expired last December. Should we continue using this form?*

Answer: No. Please note that as of February 3, 2020, applicants are no longer required to submit SF-424B, Assurances for Non-Construction Programs, with their applications. This change is outlined in the February 4, 2020 RFA Amendment No. 2 summary of changes memo, available at: [www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf](http://www.epa.gov/sites/production/files/2020-02/documents/2020-dera-national-grants-competition-memo-amend2-02-04-2020.pdf).

Date Posted: 2/14/2020

**D.45:** *Under the evaluation criteria for Project Sustainability, does the mobile source emission inventory for PM2.5 and NOx include the entire fleet or only the vehicles in the fleet being proposed in the application?*

Answer: The inventory applies to the entire fleet.

Date Posted: 1/24/2020

**D.46:** *EPA Form 4700-4 states, "List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability." What is the definition of an "administrative complaint"?*

Answer: An administrative complaint is the set of papers that outlines the ensuing civil rights lawsuit. The complaint is the initial document submitted that details the alleged discrimination based on race, color, national origin, sex, age, or disability and it sets forth the demand for relief. 40 CFR 5 and 7 referenced in the form outline the types of discrimination that are prohibited, so the recipient understands what types of lawsuits or complaints they must document on the form.

Date Posted: 1/31/2020

**D.47:** *May we include the cost of an extended warranty on the new equipment in our request for funding?*

Answer: Yes, an extended warranty may be included in the purchase price of the equipment.

Date Posted: 1/31/2020

**D.48:** *If we receive funding for a discrete portion of a larger project, may we claim the emissions reduction associated with the full project in the environmental results section?*

Answer: The environmental results may include emissions reductions directly associated with the activities funded under the grant, including EPA funding and eligible cost share funds.

Date Posted: 2/7/2020

**D.49:** *In the application, can we hyperlink text or should we provide links as full URLs?*

Answer: It is best to provide full URLs.

Date Posted: 2/7/2020

**D.50** *Regarding Section I.B.7.c ("Benefits to the Community") of the RFA, can we use EPA's "EJScreen" as a data source for describing existing health disparities present in a community?*

Answer: Yes. Applicants may choose the data sources used to describe affected communities, health disparities, disproportionate impacts, and how the community will directly benefit from emission reductions that will result from the project. Please cite your sources in the proposal.

Date Posted: 2/7/2020

**D.51:** *Does labor supplied to construct a natural gas fueling station in support of a project count as a voluntary cost share?*

Answer: No. Only eligible and allowable costs may be used as a cost share.

Date Posted: 2/14/2020

**D.52:** *Is a metal scraper placing the vehicle in a vehicle shredder (while a representative of the fleet owner watches) be an acceptable scrappage method?*

Answer: In general, this is an acceptable scrappage method. If your application is successful, you will need to detail your scrappage plan and obtain prior approval from your EPA Project Officer. EPA will likely request video documentation in addition to the pre-scrappage photos.

Date Posted: 2/14/2020

**D.53:** *We are having difficulty locating the engine plate and serial numbers due to wear and tear. How can we complete this portion of the Applicant Fleet Description?*

Answer: Serial numbers are not required at the time of application. If the project is selected for funding grantees can work with their EPA Project Officer to determine sufficient engine documentation when the engine plate is missing. Often the engine manufacturer can assist in obtaining engine information.

Date Posted: 2/14/2020

**D.54:** *Do the scrappage and eligibility statements need to be separate documents?*

Answer: Yes, the scrappage and eligibility statements should be submitted as separate documents. You can find sample statements of both documents on EPA's website at [www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#rfa).

Date Posted: 2/14/2020

**D.55:** *Is there a maximum number of vehicles allowed in a fleet?*

Answer: No, there is no restriction on the number of vehicles you can include in your fleet. However, the amount of federal funding requested per application must not exceed the applicable amount specified in Table 5, Section II.A of the RFA.

Date Posted: 2/14/2020

**D.56:** *What are typical levels (dollar amount or % of project costs) of voluntary cost share in previous successful applications?*

Answer: Voluntary cost share amounts vary, but typically make up a small portion of the total project costs. Many applicants do not include voluntary cost share. There is no requirement that applicants provide voluntary cost share funds, and applications will not be evaluated based on the inclusion of voluntary cost share under this RFA.

Date Posted: 2/14/2020

**New D.57:** *Do alternative scrappage methods need to be approved before submitting the application?*

Answer: No. You should detail your scrappage plan in your workplan. If your application is selected for funding, EPA will negotiate a final scrappage plan and required approvals as necessary.

Date Posted: 2/21/2020

**New D.58:** *Is a fleet operating in two EPA Regions considered a long-distance fleet?*

Answer: Applicants must request funding from the EPA regional office which covers the geographic project location. The term "project location" as used in this RFA refers to the area(s) where the affected vehicles or engines operate. If a vehicle travels between two regions, the applicant should decide which region best covers the geographic project location and provide justification as to why that region was selected - whether it is the region where the vehicle is based, or the region where the vehicles operates the majority of the time, or other factors that would justify award in that region.

Date Posted: 2/21/2020

**New D.59:** *Can we use in-kind contributions (e.g., labor for scrappage) as part of the mandatory cost share? If so, would we categorize under the "Other" section of the Budget Detail?*

Answer: No. Costs subject to the cost share requirements only include the purchase price of equipment and its installation. Scrappage is a separate line item. Labor costs incurred by the recipient organization required for scrappage may be billed to the grant in full under "Personnel". Alternatively, labor costs incurred by the recipient organization required for scrappage may be contributed to the grant as a voluntary in-kind cost share under "Personnel".

Date Posted: 2/21/2020

**New D.60:** *Please clarify what is needed for a Baseline Mobile Source Emissions Inventory.*

Answer: The baseline mobile source emission inventory for PM2.5 and/or NOx can be completed by the applicant or by project partners. The inventory can be fleet specific and account for all mobile sources in the applicant's and/or partner's fleet or can be more geographically inclusive and account for all mobile sources at a specific location, facility, or area. The inventory should include vehicle age, fuel use, and activity in order to calculate the total annual PM2.5 and/or NOx emissions of the fleet. Inventories are useful tools to help fleets determine which of its vehicles to target for upgrade in the future. For more information on inventory development at different scales, EPA recently released a public draft of the Methodologies for Estimating Port-Related and Goods Movement Mobile Source Emission Inventories ([www.epa.gov/ports-initiative/port-and-goods-movement-emission-inventories](http://www.epa.gov/ports-initiative/port-and-goods-movement-emission-inventories)) and another example of a baseline mobile source inventory at a port can be found at: EPA-Port Everglades Partnership ([www.epa.gov/ports-initiative/epa-and-port-everglades-partnership-emission-inventories-and-reduction-strategies](http://www.epa.gov/ports-initiative/epa-and-port-everglades-partnership-emission-inventories-and-reduction-strategies)).

Date Posted: 2/21/2020

**New D.61:** *Can a recipient use funds awarded through the New York Truck Voucher Incentive Program as a cost share?*

Answer: No. The NYTVIP website states funding for this program originated from CMAQ, a Federal funding source, and the VW settlement. Neither of these sources may be used as a cost share for DERA National Grants.

Date Posted: 2/21/2020

## E. Project Administration

### i. Competitive Procurement Requirements

**E.i.1:** *If a project is co-funded using an incentive program that requires an equipment supplier to be determined prior to application, will competitive procurement standards still apply?*

Answer: Yes, all recipients of EPA grant funds must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of the regulations at 2 CFR Part 200, as appropriate. However, an existing contact may be utilized if the grantee or subgrantees can demonstrate that the vendor was selected through a competitive process that meets the requirements. Refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements ([www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements](http://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements)) for EPA's policies on competitive procurements.

Date Posted: 12/9/2019

**E.i.2:** *Are awardees required to work with local vendors to obtain replacement equipment? If not, does EPA maintain vendor lists?*

Answer: Applicants may select any equipment supplier through a competitive procurement process that meets the applicable requirements of 2 CFR Part 200. Please refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements ([www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements](http://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements)) for further guidance. While EPA does not maintain vendor lists, you may be interested in the verified technology contact list at [www.epa.gov/verified-diesel-tech/manufacturer-contact-list-clean-diesel](http://www.epa.gov/verified-diesel-tech/manufacturer-contact-list-clean-diesel).

Date Posted: 12/9/2019

**E.i.3:** *Are there specific procurement requirements for this funding opportunity?*

Answer: Yes. Grants recipients and subgrant recipients are subject to procurement requirements found in the federal regulation 2CFR part 200. The RFA includes guidance to help you through that process.

Date Posted: 12/27/2019

**E.i.4:** *Does Buy American apply for equipment procurement?*

Answer: No. The Buy American requirements do not apply to DERA programs.

Date Posted: 12/27/2019

### ii. General

**E.ii.1:** *What is the project period for this funding opportunity?*

Answer: In general, the project period for awards resulting from this solicitation is expected to begin on September 1, 2020. EPA anticipates most projects can be completed within 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.

Date Posted: 12/9/2019

**E.ii.2:** *Could an applicant use funds from another grant program to meet the cost share under a DERA grant?*

Answer: In general, state, tribal, local and private funds may be used as a cost share on a DERA grant. Other federal grants may not be used as cost share under DERA unless the statute authorizing the other federal funding provides that the federal funds may be used to meet a cost share requirement on a federal grant. The Budget Narrative of the DERA



application must include a detailed description of how and when the applicant will obtain the cost share and how cost share funding will be used. In the event that the DERA application is selected for funding and the other grant funding does not materialize, the grantee is legally obligated by the DERA award agreement to meet their cost share commitment for any EPA DERA funds that are expended.

Date Posted: 12/9/2019

**E.ii.3:** *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: After an award is made, the recipient may terminate the award for convenience at any time.

Date Posted: 12/9/2019

**E.ii.4:** *Is an example of a final report available?*

Answer: Yes. Sample reports for grantees are available at [www.epa.gov/cleandiesel/clean-diesel-national-grants#reporting](http://www.epa.gov/cleandiesel/clean-diesel-national-grants#reporting).

Date Posted: 12/9/2019

**E.ii.5:** *When will the Tribal Clean Diesel RFA open? We are trying to decide between applying for the DERA National Grant RFA or the Tribal RFA.*

Answer: EPA anticipates the 2020 DERA Tribal Grants program will open in March 2020.

Date Posted: 12/27/2019

**E.ii.6:** *Are there specific time restrictions or requirements for purchasing and operating vehicles?*

Answer: Grant project periods are typically 2-3 years. During the grant project period all old vehicles must be scrapped, and procurement and delivery of the new vehicles must be completed. Grantees are expected to make reasonable progress towards their milestones throughout the project period. At the end of the project period fleet owners are expected to continue to use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds.

Date Posted: 12/27/2019

**E.ii.7:** *Are there usage reporting requirements during the life of a new truck?*

Answer: Yes, you are expected to compile and report on usage information for the new vehicle in the final programmatic grant report submitted to EPA at the end of the project period.

Date Posted: 1/13/2020

**E.ii.8:** *If a project is awarded, how will funding be distributed?*

Answer: Grant funds are typically distributed as reimbursements. The recipient initiates an electronic payment and funds are credited to the recipient organization. These funds can be used by the recipient to pay for valid invoices and other valid grant expenses. The grantee may be paid in advance, provided it maintains or demonstrates the willingness to maintain 1) written procedures that minimize the time between the transfer of funds and disbursement by the grantee, and 2) financial management systems that meet the standards for fund control and accountability as established in 2 CFR Part 200. Advance payments to a grantee must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the grantee in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the grantee for direct program or project costs and the proportionate share of any allowable indirect costs.

Date Posted: 1/13/2020

**E.ii.9:** *For scrapping or permanently disabling equipment being replaced, when does the 90-day period begin?*

Answer: For vehicles being replaced, the 90-day scrappage period begins when the new vehicle is received.

Date Posted: 1/21/2020

**E.ii.10:** *Does the upgraded vehicle have to be used in the same location as the original vehicle?*

Answer: Generally, yes. The term "project location" as used in this RFA refers to the primary area where the affected vehicles/engines operate, or the primary area where the emissions benefits of the project will be realized. Because location is a large factor in selecting projects, it is assumed the new vehicle will continue to operate in the same areas as the original vehicle. If the upgraded vehicle will operate in a different area than the original vehicle, the applicant should provide a detailed explanation and justification.

Date Posted: 1/21/2020

**E.ii.11:** *What is the required operating area by the old trucks in the 24 months prior to the application? Going forward, what will be the operating area requirements for the new trucks?*

Answer: Vehicles do not have to operate in a priority area to be eligible for funding. The work plan should indicate the areas where the vehicles operate and the amount (%) of time the vehicles typically operate in each area. The assumption is that the new vehicle will replace the old vehicle in form and function and will continue to operate in the same area.

Date Posted: 1/24/2020

**E.ii.12:** *How long is the new truck will be expected to run in the designated areas?*

Answer: The assumption is that the new vehicle will replace the old vehicle in form and function and will continue to operate in the same area. The terms and conditions of the award require that the equipment acquired under this assistance agreement will be subject to the use and management and disposition regulations at 2 CFR §200.313, and that at the end of the project period the recipient will continue to use the equipment purchased under this assistance agreement in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award.

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**E.ii.13:** *Are successful applicants subject to any additional federal oversight or compliance requirements?*

Answer: A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at: [www.epa.gov/grants/policy-regulations-and-guidance-epa-grants](http://www.epa.gov/grants/policy-regulations-and-guidance-epa-grants). Quarterly progress reports and a detailed final report will be required. Please see Section VI.C of the RFA for more information.

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**New E.ii.14:** *Can we scrap a marine engine operated in one area and replace it with a marine engine operated in a different area.*

Answer: No. Even with a long-distance fleet, location is a large factor in selecting projects and it is assumed the new engine will continue to operate in the same areas as the original one. Further, the replacement engine should be installed in the vessel from which the scrapped engine is removed, and the engine/vessel will continue to perform similar function and operation as before.

Date Posted: 2/21/2020