

**Questions and Answers:  
2021 Diesel Emissions Reduction Act (DERA) National Grants  
RFA# EPA-OAR-OTAQ-21-02**

Thursday, January 14, 2021

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
- B. Project Eligibility
  - i. Vehicle and Equipment Replacements
  - ii. Engine Replacements
  - iii. Remanufacture Systems
  - iv. Verified Idle Reduction Technologies
  - v. Verified Retrofit Technologies
  - vi. Clean Alternative Fuel Conversions
  - vii. Verified Aerodynamic Technologies and Low Rolling Resistance Tires
  - viii. Miscellaneous
- C. Vehicle, Equipment, and Engine Eligibility
- D. Application Process
- E. Project Administration
  - i. Competitive Procurement Requirements
  - ii. General

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

## A. Applicant Eligibility

### A.1: *Who is eligible to apply?*

Answer: Eligible entities include:

- Regional, state, local or tribal agencies/intertribal consortia
- Port authorities with jurisdiction over transportation or air quality
- Nonprofit organizations or institutions that
  - represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or
  - have, as their principal purpose, the promotion of transportation or air quality

For example, public school districts and public universities who own/operate diesel fleets and are responsible for decisions regarding student transportation, airports that operate as public entities, and public utilities including public wastewater treatment plants are all eligible entities.

The following entities are not eligible unless they partner with an eligible entity:

- Private fleets including private school bus companies (see A.6 about partnering with an eligible entity).
- Manufacturers of vehicles and technologies
- Federal agencies including U.S military installations
- Private utilities

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### A.2: *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.

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### A.3: *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 2021. Please visit [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal) 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/dera/rebates](http://www.epa.gov/dera/rebates).

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### A.4: *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 DERA programs for the same vehicle.

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**A.5:** *Do applicants and projects need to be located in nonattainment areas to be eligible?*

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

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**A.6:** *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/dera/epa-regions-diesel-collaboratives](http://www.epa.gov/dera/epa-regions-diesel-collaboratives)) where fleet owners interested in partnering with eligible entities may find networking opportunities.

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## **B. Project Eligibility**

### **i. Vehicle and Equipment Replacements**

**B.i.1:** *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.

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**B.i.2:** *What is the funding level to replace a diesel vehicle with an electric one?*

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

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**B.i.3:** *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.4:** *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 2019 model year or newer certified engine (2015 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.5:** *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.

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## 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:** *Must all nonroad engine replacements be EMY 2021? 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.

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**B.ii.3:** *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.

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### 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).

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**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.

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**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.

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**B.iv.4:** *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.

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### v. Verified Retrofit Technologies

**B.v.1:** *Are projects for fueling infrastructure for the production and distribution of fuel biodiesel eligible?*

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

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**B.v.2:** *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.

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**B.v.3:** *Can funds be used to replace existing verified retrofit technologies (DOCs, DPFs)?*

Answer: No, funding cannot be used to replace an existing verified retrofit technology.

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**B.v.4:** *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.

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## 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/ve-certification/lists-epa-compliant-alternative-fuel-conversion-systems](http://www.epa.gov/ve-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 2006 and earlier 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.

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

No questions at this time.

## viii. Miscellaneous

**B.viii.1:** *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 DERA TRU Factsheet available under supporting documents at [www.epa.gov/dera/national#rfa](http://www.epa.gov/dera/national#rfa) for information on eligible TRU projects.

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**B.viii.2:** *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.

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**B.viii.3:** *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.

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**B.viii.4:** *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.

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**B.viii.5:** *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.

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**B.viii.6:** *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).

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**B.viii.7:** *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.

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**B.viii.8:** *What is the applicant's mandatory cost share requirement?*

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

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**B.viii.9:** *Can we expand our fleet with new vehicles?*

Answer: No. New vehicle purchases must replace an existing, older, diesel-powered vehicle. Old vehicles must be scrapped to ensure emissions reductions are achieved.

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

### **C.1: *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.

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### **C.2: *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 two years prior to upgrade.

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### **C.3: *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.

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### **C.4: *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 DERA TRU Factsheet available under supporting documents at [www.epa.gov/dera/national#rfa](http://www.epa.gov/dera/national#rfa) for additional details.

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

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

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### **C.6: *Please describe eligible diesel trucks.***

Answer: For the purposes of this RFA, eligible medium-duty and 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 8 (33,001 lbs GVWR and over).

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### **C.7: *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.

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**C.8:** *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.

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**C.9:** *Are vehicle/equipment replacements with CARB Certified Low NOx engines limited to projects located in California?*

Answer: No.

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**C.10:** *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.

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**C.11:** *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) .

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**C.12:** *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 2019 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 2019 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 emission power source.

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**C.13:** *Is replacing a 2007-2009 engine model year vehicle with a 2019+ 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 2019+ engine model year.

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**C.14:** *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.

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**C.15:** *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 DERA TRU Factsheet available under supporting documents at [www.epa.gov/dera/national#rfa](http://www.epa.gov/dera/national#rfa) for information on eligible TRU projects.

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**C.16:** *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.

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**C.17:** *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.

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**C.18:** *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.

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**C.19:** *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.

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**C.20:** *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.

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**C.21:** *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.

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**D. Application Process**

**D.1:** *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.

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**D.2:** *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/dera/national-dera-awarded-grants](http://www.epa.gov/dera/national-dera-awarded-grants).

Date Posted: 1/14/2021

**D.3:** *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/dera/national#rfa](http://www.epa.gov/dera/national#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-21-02. 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). You may use the tool at [www.dnb.com/duns-number.html](http://www.dnb.com/duns-number.html) 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: 1/14/2021

**D.4:** *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/regional-and-geographic-offices](http://www.epa.gov/aboutepa/regional-and-geographic-offices).

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**D.5:** *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.

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**D.6:** *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 II.A of the RFA has a table showing the total amount of funding anticipated for each Region, as well as the funding limit per application.

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**D.7:** *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.

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**D.8:** *Where can I find the most recent list of priority areas?*

Answer: The 2021 Priority Area List is available under supporting documents at [www.epa.gov/dera/national#rfa](http://www.epa.gov/dera/national#rfa).

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**D.9:** *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: 1/14/2021

**D.10:** *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: 1/14/2021

**D.11:** *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: 1/14/2021

**D.12:** *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: 1/14/2021

**D.13:** *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: 1/14/2021

**D.14:** *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: 1/14/2021

**D.15:** *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: 1/14/2021

**D.16:** *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: 1/14/2021

**D.17:** *Will DERA National Grants be available in 2022?*

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

Date Posted: 1/14/2021

**D.18:** *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 DERA Program and the Tribal DERA Grant Program. For more information, visit [www.epa.gov/dera/volkswagen-vw-settlement-dera-option](http://www.epa.gov/dera/volkswagen-vw-settlement-dera-option).

Date Posted: 1/14/2021

**D.19:** *Will Information Session slides or recordings be available?*

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

Date Posted: 1/14/2021

**D.20:** *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 [www.dnb.com/duns-number.html](http://www.dnb.com/duns-number.html).

Date Posted: 1/14/2021

**D.21:** *Do all counties on the 2021 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 application 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 may be prorated based upon the percent of target vehicles operating in priority areas and the percent of time priority vehicles spend in priority areas.

Date Posted: 1/14/2021

**D.22:** *Can an applicant use both DERA National grant funds and VW Mitigation funds received from the State on the same project?*

Answer: DERA funds under this announcement cannot be used to fund the same vehicle that is also receiving VW Mitigation 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: 1/14/2021

**D.23:** *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: 1/14/2021

**D.24:** *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. For additional information about funding available per Region, please see Table 5. Funding Limits by Region on page 26 of the RFA.

Date Posted: 1/14/2021

## E. Project Administration

### i. Competitive Procurement Requirements

**E.i.1:** *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: 1/14/2021

**E.i.2:** *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: 1/14/2021

**E.i.3:** *Does Buy American apply for equipment procurement?*

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

Date Posted: 1/14/2021

**E.i.4:** *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: 1/14/2021

### ii. General

**E.ii.1:** *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.

Date Posted: 1/14/2021

**E.ii.2:** *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: 1/14/2021

**E.ii.3:** *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: 1/14/2021

**E.ii.4:** *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: 1/14/2021

**E.ii.5:** *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: 1/14/2021

**E.ii.6:** *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 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 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.

Date Posted: 1/14/2021

**E.ii.7:** *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: 1/14/2021

**E.ii.8:** *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 October 1, 2021. 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: 1/14/2021