

**AGENCY: ENVIRONMENTAL PROTECTION AGENCY (EPA)**

**TITLE: Clean Diesel Emerging Technologies Funding Assistance Program,  
FY2011 Request for Proposals (RFP)**

**ACTION: Request for Proposals (RFP)**

**RFP No: EPA-OAR-OTAQ-11-02**

**CATALOG OF FINANCIAL DOMESTIC ASSISTANCE No: 66.039**

### **IMPORTANT DATES**

November 16, 2010	RFP OPENS
January 27, 2011	RFP CLOSING – PROPOSALS DUE
March 2011	ANTICIPATED NOTIFICATION OF SELECTION
May 2011	ANTICIPATED AWARD

The closing date for receipt of proposals is **Thursday, January 27, 2011**. All hard copies of proposal packages must be received by **Thursday, January 27, 2011, 4:00 p.m. EST** in order to be considered for funding. Electronic submissions submitted through Grants.gov (<http://www.grants.gov>) must be received by **Thursday, January 27, 2011, 4:00 p.m. EST**. Proposals received after the closing date and time will not be considered for funding.

### **SUMMARY**

EPA's Clean Diesel Emerging Technologies Funding Assistance Program is soliciting proposals nationwide for projects that achieve significant reductions in diesel emissions in terms of tons of pollution produced and diesel emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.

Under this solicitation, the only eligible diesel emission reduction solutions that may be proposed are the use of emerging emission control technologies as listed on the National Clean Diesel Campaign's Emerging Technologies List (<http://www.epa.gov/otaq/diesel/prgemerglist.htm>).

Eligible diesel vehicles, engines and equipment may include buses, medium-duty or heavy-duty trucks, marine engines, locomotives and non-road engines, equipment or vehicles used in construction, handling of cargo (including at a port or airport), agriculture, mining or energy production (including stationary generators and pumps).

Eligible entities include regional, State, local or tribal agencies 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.

## **FUNDING/AWARDS**

The total estimated funding for this competitive opportunity is approximately \$4 million. EPA anticipates awarding a total of approximately 3-8 cooperative agreements ranging from \$500,000 to \$1,500,000 each, subject to the availability of funds, the quality of proposals received, and other applicable considerations.

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## **I. FUNDING OPPORTUNITY DESCRIPTION**

### **A. Background**

Reducing emissions from diesel engines is one of the most important air quality challenges facing the country. In 2009, nationwide diesel emissions from mobile sources alone accounted for approximately 300,000 tons of directly emitted Fine Particulate Matter (PM<sub>2.5</sub>) and 6.4 million tons of Nitrogen Oxide (NO<sub>x</sub>), which contribute to the formation of ozone and additional fine particles. These emissions come from approximately 11 million engines in the existing diesel fleet. Even with more stringent heavy-duty highway and non-road engine standards taking effect over the next decade, millions of diesel engines already in use will continue to emit large amounts of nitrogen oxides, particulate matter and air toxics, which contribute to serious public health problems, including asthma, lung cancer and various other cardiac and respiratory diseases. These problems result in thousands of premature deaths, millions of lost work days, and numerous other negative health impacts every year.

To meet the challenge of reducing exhaust emissions from diesel engines, the U.S. Environmental Protection Agency (EPA) established the National Clean Diesel Campaign (NCDC). The NCDC comprises regulatory programs to address new engines and innovative programs to address the millions of diesel engines already in use. The NCDC mobilizes diverse partners with historic differences to work together to create awareness of the urgency of the public health problem associated with diesel emissions and to accelerate the use of technologies. These partners include State and local governments, transportation officials, engine manufacturers, emission technology vendors, fuel suppliers, private fleet owners and environmental groups.

## **B. Program History**

The Diesel Emissions Reduction National Program (DERA) authorized by Title VII, Subtitle G (Sections 791 to 797) of the Energy Policy Act of 2005 (EPAAct 2005) (codified at 42 U.S.C. 16131 et seq.) enables EPA to offer funding assistance to eligible entities on a competitive basis. Fiscal Year (FY) 2008 was the inaugural year of funding for DERA. Assistance agreements totaling over \$3 million were awarded nationwide through EPA's FY08 Clean Diesel Emerging Technologies Funding Assistance Program competition. In addition, on February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (Public Law No. 111-05) (Recovery Act) which provided funding for the program. Under the Recovery Act Emerging Technology competition EPA awarded 14 assistance agreements totaling approximately \$20 million. In FY10, EPA awarded 5 Emerging Technology assistance agreements nationwide, totaling \$5.6 million.

Specific information on these funded projects can be found at <http://www.epa.gov/otaq/diesel/projects.htm>.

While DERA offers funding assistance for eligible projects that significantly reduce diesel emissions in accordance with the DERA statute and as outlined in this announcement, another EPA program, "Climate Showcase Communities", funds grants on a competitive basis to a select group of eligible entities in order for communities to develop plans and implement projects which reduce greenhouse gas (GHG) emissions. Applications submitted under this RFP must be for eligible, emerging technology projects under DERA. More detailed information for local governments, Federally recognized tribes, and inter-tribal consortia interested in proposing demonstration, development, and implementation projects which reduce greenhouse gas emissions but are otherwise ineligible for DERA grants, can be found on EPA's Climate Showcase Communities Grant program website at [www.epa.gov/RDEE/energy-programs/state-and-local/showcase.html](http://www.epa.gov/RDEE/energy-programs/state-and-local/showcase.html).

## **C. Scope of Work**

- 1. National Programmatic Priorities:** A principal objective of this program is to achieve significant reductions in diesel emissions in terms of tons of pollution produced and reductions in diesel emissions exposure, particularly from vehicles,

engines and equipment operating in areas designated by the Administrator as poor air quality areas (identified in Section I.C.1.c.ii below).

Under Section V of this RFP, applicants will be evaluated based on the extent and quality to which the proposed project addresses the National Programmatic Priorities. Priority for funding under this RFP will go to projects that:

- a. Maximize public health benefits<sup>1</sup>;
- b. Are the most cost-effective<sup>2</sup>;
- c. Serve areas:
  - i. with the highest population density;
  - ii. that are poor air quality areas (including nonattainment<sup>3</sup> or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas<sup>4</sup>; or areas with toxic air pollutant concerns);
  - iii. that receive a disproportionate quantity of air pollution from diesel fleets; including truck stops, ports, rail yards, terminals, and distribution centers; In order to identify disproportionately impacted areas, include community/neighborhood level information including socioeconomic data about the community and how the community will benefit from the project; and
  - iv. that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;
- d. Include an emerging technology that has a long expected useful life;
- e. Maximize the useful life of the emerging technology used or funded by the eligible entity; and
- f. Conserve diesel fuel.

#### **D. Use of Funds**

**1. Eligible Diesel Vehicles, Engines and Equipment:** Projects may include, but are not limited to, reduction of diesel emissions from the following heavy-duty diesel emission source types:

- a. Buses;
- b. Medium-duty or Heavy-duty trucks;
- c. Marine Engines;
- d. Locomotives; and
- e. Non-road engines, equipment or vehicles used in:
  - i. Construction;
  - ii. Handling of cargo (including at a port or airport);

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<sup>1</sup> See Appendix D for information on how to determine public health benefits.

<sup>2</sup> See Appendix E for suggested cost-effectiveness calculation methodology.

<sup>3</sup> EPA's areas of nonattainment for criteria air pollutants can be found at: [www.epa.gov/air/oagps/greenbk/](http://www.epa.gov/air/oagps/greenbk/).

<sup>4</sup> Federal Class I areas are National Parks, Wilderness Areas and National Monuments that are accorded special protection from visibility impairment under section 162(a) of the Clean Air Act. A list of Class I areas can be found at: [www.epa.gov/air/visibility/program.html](http://www.epa.gov/air/visibility/program.html).

- iii. Agriculture;
- iv. Mining; or
- v. Energy production (including stationary generators and pumps)<sup>5</sup>.

NOTE: Current diesel emission standards in the highway sector took effect in 2007 and will affect future model year highway heavy-duty vehicles and engines. For non-road engines, new EPA standards are being phased in which started in 2008. Emission reductions from retrofits of post-2007 vehicles, engines and equipment will be considered, if the technologies, devices or systems proposed will achieve significant emissions reductions beyond those required by EPA regulations at the time of engine certification.

## 2. Eligible Diesel Emissions Reduction Solution: Emerging Technologies

An emerging technology is defined as a technology that has not been previously certified or verified by EPA or the California Air Resources Board (CARB) but for which an approvable application and test plan have been submitted for verification. An emerging technology is a device or system that, when applied to an existing diesel engine, achieves emission reductions beyond what is currently required by EPA regulations at the time of the engine's certification. EPA will list all eligible emerging technologies on the following website at <http://www.epa.gov/cleandiesel/prgemerglist.htm>.

42 U.S.C. 16132(b)(3)(B) requires that in order to receive funds, a manufacturer, in consultation with an eligible entity, shall submit for verification to the Administrator of EPA or the Administrator of CARB a test plan for verification for the emerging technology. EPA will review and evaluate the test plan and, if approvable, will place the emerging technology on the Emerging Technologies List. If a manufacturer is working with CARB, they should submit the required information, as defined on EPA's website at <http://www.epa.gov/otaq/diesel/prgemerg.htm>, to EPA for placement on the Emerging Technologies List. Please note that CARB does not maintain an Emerging Technologies List.

Eligible entities, as defined in section III, shall submit an application for funding assistance that discusses how the eligible entity, in consultation with the manufacturer of an emerging technology, will assist in the development and commercialization of that technology by providing the means to gain real-world experience. Eligible entities must include with their application for funding assistance, a copy of the approved emerging technology test plan that is on file for verification. The manufacturer can supply a copy of that test plan to the eligible entity or the manufacturer can submit the test plan directly to EPA.

Eligible entities, in consultation with the technology manufacturer, can propose to conduct testing that will further support the development and document the in-use

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<sup>5</sup> Eligible non-road engines used for energy production include, but are not limited to, stationary generators and pumps.

operation of emerging technologies. Such test programs may include, but are not limited to, additional data logging and monitoring of device operation, and measuring emissions with a portable emission measurement system (PEMS) to document emission reduction durability. All costs associated with testing (including voluntary cost-share and/or leveraged resources) must be fully described in the application, and the level of funding awarded for testing will be considered in the project eligibility and ranking. The costs of testing will be included in determining the overall cost-effectiveness of the project.

Only technologies on the Emerging Technologies List by the closing date for proposal submission under this RFP will qualify for use under this RFP. Formerly Emerging Technologies do not qualify for use under this RFP. Eligible entities wishing to propose the use of an emerging technology not on the Emerging Technology List must have the manufacturer contact EPA to seek placement on the list. Manufacturers wishing to be placed on the Emerging Technologies List should start the process as soon as possible as there are a number of steps to complete.

#### **E. Linkage to EPA Strategic Plan and Anticipated Outputs/Outcomes**

EPA Order 5700.7, “Environmental Results under EPA Assistance Agreements,” requires that all assistance agreements be aligned with the Agency’s Strategic Plan. EPA requires that grant applicants and recipients adequately address environmental outputs and outcomes to be achieved under assistance agreements. Grantees will be expected to report progress toward the attainment of project outputs and outcomes during the performance period. Applicants will be evaluated on the effectiveness of their plan for tracking and measuring progress toward achieving anticipated outputs and outcomes.

EPA Order 5700.7, Environmental Results under Assistance Agreements, may be found at: [www.epa.gov/ogd/grants/award/5700.7.pdf](http://www.epa.gov/ogd/grants/award/5700.7.pdf).

- 1. Linkage to EPA Strategic Plan:** EPA’s Strategic Plan defines goals, objectives, and sub-objectives for protecting human health and the environment. Projects funded under this RFP will support Goal 1 of EPA’s 2006-2011 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, “Through 2011...[EPA will]...protect human health and the environment by attaining and maintaining health-based air-quality standards and reducing the risk from toxic air pollutants.” Specifically, these projects will reduce emissions from diesel fleets, thereby reducing local and regional air pollution.

EPA’s Strategic 2006-2011 Strategic Plan may be found at: [www.epa.gov/ocfo/plan/2006/entire\\_report.pdf](http://www.epa.gov/ocfo/plan/2006/entire_report.pdf).

- 2. Outputs:** The term “output” means an environmental activity, effort and/or associated work product related to an environmental goal or objective that will be produced by a grantee during the funding period. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period.

Expected outputs from the projects to be funded under this announcement include, but are not limited to:

- Number of retrofitted engines/vehicles/equipment

Other potential outputs may include, but are not limited to:

- Dissemination of project/technology information via list serves, websites; journals and outreach events; and/or
- Collection of real-word data.

Progress reports and a final report will also be required outputs, as specified in Section VI.D of this RFP.

- 3. Outcomes:** The term “outcome” means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related or programmatic in nature, but must be quantitative, and may not necessarily be achievable within an assistance agreement funding period.

Expected outcomes from the projects to be funded under this announcement include, but are not limited to:

Intermediate Outcomes:

- Annual pounds or tons of fine particulate matter (PM2.5), nitrogen oxides (NOx), greenhouse gases (GHG) such as carbon dioxide (CO<sub>2</sub>), and/or volatile organic compounds (VOCs) reduced; and/or
- Annual gallons of diesel fuel saved.

End Outcomes:

- Documented improved ambient air quality.
- Health benefits achieved (health benefits may be measured by numbers of illnesses, health care costs, or missed work/school days avoided, reduced mortality from air pollution).

Other potential outcomes may include, but are not limited to:

- An increased understanding of the environmental or economic effectiveness; of the implemented technology;
- Increased public awareness of project and results;
- Widespread adoption of the implemented technology.

The following are questions to consider when developing output and outcome measures of quantitative and qualitative results:

- i) What are the measurable short term and longer term results the project will achieve?
- ii) How does the plan measure progress in achieving the expected results (including outputs and outcomes) and how will the approach use resources effectively and efficiently?

## **F. Supplementary Information**

The Diesel Emissions Reduction National Program (DERA) is authorized by Title VII, Subtitle G (Sections 791 to 797) of the Energy Policy Act of 2005, Public Law 109-58, enacted August 8, 2005 (EPAct 2005) and codified at 42 U.S.C. 16131 et seq.

## **II. AWARD INFORMATION**

### **A. Available Funding**

The total estimated funding available under this RFP is approximately \$4 million. EPA anticipates awarding a total of approximately 3-8 cooperative agreements ranging from \$500,000 to \$1,500,000 each, subject to the availability of funds, the quality of proposals received, and other applicable considerations.

EPA reserves the right to make additional awards under this announcement, consistent with Agency policy and other applicable considerations, if additional funding becomes available after the original selections. Any additional selections for awards will be made no later than 6 months from the date of the original selection.

In addition, EPA reserves the right to reject all proposals and make no awards under this announcement or to make fewer awards than anticipated.

### **B. Partial Funding**

In appropriate circumstances, EPA reserves the right to partially fund proposals by funding discrete portions or phases of proposed projects. If EPA decides to partially fund a project, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal or portion thereof, was evaluated and selected for award, thereby maintaining the integrity of the competition and selection process.

### **C. Project Period**

The estimated project period for awards resulting from this solicitation will begin on June 1, 2011, with an expected project completion date no later than May 31, 2013.

### **D. Funding Type**

The funding for selected projects will be in the form of a cooperative agreement. Cooperative agreements permit substantial involvement between EPA and the selected applicants in the performance of the work supported. Although EPA will negotiate precise terms and conditions relating to substantial involvement as part of the award process, the anticipated substantial Federal involvement for this project will be in the form of technical assistance, development of outputs, and oversight. Specifically, substantial federal involvement will take the form of monitoring the project by EPA

within approved timeline; participation and collaboration between EPA and the recipient in program content; review of project progress, and quantification and reporting of results.

### **III. ELIGIBILITY INFORMATION**

#### **A. Eligible Entities**

Under this solicitation, only the following entities are eligible to apply for assistance, in accordance with 42 U.S.C. sections 16131 and 16132, and CFDA 66.039:

1. A regional, State, local or tribal agency or port authority with jurisdiction over transportation or air quality; and
2. A nonprofit organization or institution that:
  - a. represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or
  - b. has, as its principal purpose, the promotion of transportation or air quality.

School districts, municipalities, metropolitan planning organizations (MPOs), cities and counties are all eligible entities under this assistance agreement program to the extent that they fall within the definition above.

Non-profit organization, as defined by OMB Circular A-122, located at 2 CFR Part 230, means any corporation, trust, association, cooperative, or other organization which is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest, is not organized primarily for profit, and uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" includes non-profit institutions of higher education and hospitals.

Non-profit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply.

#### **B. Cost Share/Leveraged Resources**

There is no requirement for a mandatory cost-share contribution from applicants for projects under this RFP.

However, although cost-sharing is not required as a condition of eligibility under this competition, under Section V of this announcement EPA will evaluate proposals based on a leveraging criterion.

Leveraging is generally when an applicant proposes to provide its own additional funds/resources or those from third party sources to support or complement the project they are awarded under the competition which are above and beyond the EPA grant funds awarded. Any leveraged funds/resources, and their source, must be identified in the

proposal (See Section IV of the announcement). Leveraged funds may improve the cost-effectiveness of the project. Applicants should follow the instructions in **Appendix E** of this announcement for calculating the cost-effectiveness of their project. Leveraged funds and resources may take various forms as noted below:

- 1. Voluntary cost share** is a form of leveraging. Voluntary cost sharing is when an applicant voluntarily proposes to legally commit to provide costs or contributions to support the project when a cost share is not required. Applicants who propose to use a voluntary cost share **must** include the costs or contributions for the voluntary cost share in the project budget on the SF-424. If an applicant proposes a voluntary cost share, the following apply:
  - A voluntary cost share is subject to the match provisions in the grant regulations (40 CFR 30.23 or 40 CFR 31.24, as applicable).
  - A voluntary cost share may only be met with eligible and allowable costs.
  - The recipient may not use other sources of federal funds to meet a voluntary cost share 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 (e.g. HUD's Community Development Block Grants).
  - The recipient is legally obligated to meet any proposed voluntary cost share that is included in the approved project budget. If the proposed voluntary cost share does not materialize during grant performance, then EPA may reconsider the legitimacy of the award and/or take other appropriate action as authorized by 40 CFR Parts 30 or 31 as applicable.
  
- 2. Other leveraged funding/resources that are not identified as a voluntary cost share**-this form of leveraging may be met by funding from another federal grant, from an applicant's own resources, or resources from other third party sources. This form of leveraging should not be included in the budget and the costs need not be eligible and allowable project costs under the EPA assistance agreement. While this form of leveraging should not be included in the budget, the grant workplan should include a statement indicating that the applicant is expected to produce the proposed leveraging consistent with the terms of the announcement and the applicant's proposal. If applicants propose to provide this form of leveraging, EPA expects them to make the effort to secure the leveraged resources described in their proposals. If the proposed leveraging does not materialize during grant performance, then EPA may reconsider the legitimacy of the award and/or take other appropriate action as authorized by 40 CFR Parts 30 or 31, as applicable.

### **C. Threshold Eligibility Criteria**

Only proposals from eligible applicants (see Section III.A of this RFP) that meet all threshold eligibility criteria will be evaluated against the ranking criteria in Section V of this RFP. Applicants deemed ineligible for funding considerations as a result of the threshold eligibility review will be notified within 15 calendar days of the ineligibility determination.

1. Proposals that do not include an emerging technology as set forth in Section I.D.2 of this RFP are not eligible and will not be reviewed. Proposals MUST clearly identify the emerging technology and the name of the manufacturer that will be utilized. Only technologies on the Current Emerging Technologies List are eligible.
2. Proposal Content and Submission
  - a. Proposals must substantially comply with the proposal submission instructions and proposal content requirements set forth in Section IV and Appendix B of this RFP or else they will not be reviewed.
  - b. Where a page limit is expressed in Section IV of this RFP with respect to the Project Narrative, pages in excess of the page limitation will not be reviewed.
  - c. Proposals must be received by the EPA through one of the specified methods in Section IV of this RFP on or before the proposal submission deadline published in Section IV of this announcement. Applicants are responsible for ensuring that their proposal reaches the designated person/office specified in Section IV of the announcement by the submission deadline.
  - d. Proposals received after the submission deadline will be considered late and returned to the sender without further consideration unless the applicant can clearly demonstrate that it was late due to EPA mishandling or because of technical problems associated with [www.grants.gov](http://www.grants.gov). Where Section IV requires proposal receipt by a specific person/office by the submission deadline, receipt by an agency mailroom is not sufficient. Applicants should confirm receipt of their proposal with the EPA Contact specified in Section VII as soon as possible after the submission deadline—failure to do so may result in your proposal not being reviewed.
  - e. **Hard copy proposals will only be accepted via an express delivery service. EPA will not accept proposals submitted via e-mail, fax or standard 1st Class Mail delivery by the U.S. Postal Service.**
3. Proposals which request EPA assistance funds in excess of \$1,500,000 will not be reviewed.
4. Proposals for fueling infrastructure, such as that used for the production and/or distribution of biodiesel, and/or other cleaner fuels, or compressed natural gas fueling stations, are not eligible and will not be reviewed. If proposals are submitted that have these ineligible activities, the entire proposal will be ineligible for funding.
5. Proposals must support Goal 1 of EPA’s 2006 – 2011 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, “Through 2011...[EPA will]...protect human health and the environment by attaining and maintaining health-based air-quality standards and reducing the risk from toxic air pollutants.”

#### **D. Funding Restrictions**

If a submitted proposal includes the following ineligible activities, that portion of the proposal will be ineligible for funding and may render the entire proposal ineligible for funding.

- 1. Restriction for Mandated Measures:** Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under this RFP shall be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. The restriction applies when the mandate takes effect (the effective date) for any affected vehicles, engines or equipment.

If the project takes place in an affected area, or includes affected vehicles, engines or equipment, the Applicant must clearly demonstrate that emission reductions funded with EPA funds:

- a. will be implemented prior to the effective date of the mandate; and/or
- b. are in excess of (above and beyond) those required by the applicable mandate.

If applicable, emission reduction benefits shall only be calculated for the period preceding the effective date or compliance deadline. Please see Appendix C for instructions on calculating emission reductions. Voluntary or elective emission reduction measures shall not be considered “mandated,” regardless of whether the reductions are included in a State Implementation Plan or a non-regulatory contract specification.

- 2.** No funds awarded under this RFP shall be used for matching funds for other federal grants, lobbying, or intervention in Federal regulatory or adjudicatory proceedings, and cannot be used to sue the Federal government or any other government entity.
- 3.** No funds awarded under this RFP shall be used for retrofit technologies on EPA’s or CARB’s, “Formerly Verified Technologies” lists: <http://www.epa.gov/otaq/retrofit/deleted-list.htm>, <http://www.arb.ca.gov/diesel/verdev/verdev.htm> . No funds awarded under this RFP shall be used for retrofit technologies on EPA’s “Formerly Emerging Technologies” list. If proposals are submitted that have these ineligible activities, that portion of the proposal will be ineligible for funding and may render the entire proposal ineligible for funding.
- 4.** Funds awarded under this RFP shall be used ONLY for those technologies on the Current Emerging Technologies List at the close of the RFP.

#### **IV. PROPOSAL AND SUBMISSION INFORMATION**

##### **A. How to Obtain a Proposal Package**

Applicants can download the individual grant application forms (Application for Federal Assistance SF-424, and Budget Information for Non-Construction Programs SF-424A)

from EPA's Office of Grants and Debarment website at:  
[www.epa.gov/ogd/grants/how\\_to\\_apply.htm](http://www.epa.gov/ogd/grants/how_to_apply.htm) .

Please refer to the Proposal Submission Checklist in Appendix F to ensure that all required materials have been included in your proposal package.

To obtain a hard copy of materials, please call 1-877-NCDC-FACTS (1-877-623-2322) or email [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov).

## **B. Proposal Submission**

Applicants have the following options to submit their proposals: a) Hard copy by hand delivery or express delivery service to the specified EPA contact listed below or b) electronically through [www.grants.gov](http://www.grants.gov) as explained in Appendix A.

**Proposals will NOT be accepted via email, fax or standard 1st class mail delivery by the U.S. Postal Service.**

All proposals must be prepared, and include the information, as described in Section IV.C of this RFP, regardless of mode of submission.

- 1. Hard Copy Submission:** Hard copy submissions must be hand delivered or sent using an express delivery service, such as FedEx, UPS, DHL, etc., to the contact mailing address listed below. Please provide one original of the proposal package (including signed and completed SF-424 and SF-424A forms), as well as two photocopies of the complete proposal package. Binders or spiral binding will not be accepted. All hard copies of proposal packages must be received by **Thursday, January 27, 2011, 4:00 p.m. eastern standard time (EST).**

Jennifer Went  
c/o Sheena Dupree  
U.S. Environmental Protection Agency  
1310 L Street, NW (Room 356C)  
Washington, DC 20005

- 2. Grants.gov Submission:** Please see Appendix A, Grants.gov Submission Instructions. Grants.gov submissions must be received by **Thursday, January 27, 2011 at 4:00 p.m. EST.**

## **C. Content of Proposal Package**

- 1. Grant Application Forms:**
  - a. Standard Form (SF) 424, Application for Federal Assistance.** Complete the form (available at [www.epa.gov/ogd/forms/forms.htm](http://www.epa.gov/ogd/forms/forms.htm)). Please be sure to include the Applicant organization fax number and email address in Block 5 of the Standard Form 424.

Please note that the organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the SF-424. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711.

**b. Standard Form (SF) 424A, Budget Information.** Complete the form (available at [www.epa.gov/ogd/forms/forms.htm](http://www.epa.gov/ogd/forms/forms.htm)). There are no attachments. The total amount of federal funding requested for the project period should be shown on line 5(e) and on line 6(k) of SF-424A, the amount of indirect costs should be entered on line 6(j). The indirect cost rate (i.e., a percentage), the base (e.g., personnel costs and fringe benefits), and the amount should also be indicated on line 22.

**2. Project Narrative: The Project Narrative** must substantially comply with the specific instructions, format and content as described in **Appendix B**. The Project Narrative includes the following components:

- Cover Page
- Workplan

The project narrative (including the cover page) shall not exceed ten (10) single-spaced pages in length. Pages refer to one-side of a single spaced typed page. Font size should be no smaller than 10 and the proposal must be submitted on 8 ½" x 11" paper. Pages in excess of the 10-page limit will not be considered. Supporting materials, such as resumes, letters of support and/or commitment, and fleet descriptions can be submitted as attachments and are not included in the 10-page limit.

**3. Applicant Fleet Description:** This information does not count towards the 10-page limit. The purpose of the Applicant Fleet Description (AFD) is to describe in detail the specific vehicles and engines targeted for emissions reductions under the proposed project. Applicants must describe the fleet(s) targeted for the proposed project, including: target fleet type, number of vehicles, vehicle class, model year, retrofit year, chosen technology, current fuel type, amount of fuel used, etc. This information may be presented in a table format. A sample format for the Applicant Fleet Description may be downloaded at [www.epa.gov/otaq/diesel/prgnational.htm](http://www.epa.gov/otaq/diesel/prgnational.htm).

**4. Cost-Share Commitment Letters:** If applicable, project partners that are providing in-kind or monetary assistance must demonstrate their specific commitment to meet the proposed cost-share. These are not included in the 10-page limit.

**5. Optional Attachments:** These are not included in the 10-page limit.

- Resumes: Provide resumes or curriculum vitae for all principal investigators and any other key personnel.

- Letters of Support: Specifically indicate how supporting organizations will assist in the project. Please limit your letters of support to 3.

#### **D. Submission Dates and Time**

The closing date and time for receipt of proposal submissions, regardless of mode of submission, is **Thursday, January 27, 2011, 4:00 p.m. eastern standard time (EST)** in order to be considered for funding. All hard copies of proposal packages must be received by Thursday, January 27, 2011, 4:00 p.m. EST in order to be considered for funding. All grants.gov submissions of proposal packages must be received by EPA through Grants.gov ([www.grants.gov](http://www.grants.gov)) by Thursday, January 27, 2011 4:00 p.m. EST in order to be considered for funding.

#### **E. Confidential Business Information**

In accordance with 40 CFR 2.203, applicants may claim all or a portion of their proposal package as confidential business information. EPA will evaluate confidentiality claims in accordance with 40 CFR Part 2. Applicants must clearly mark proposals or portions thereof that they claim as confidential. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c) (2) prior to disclosure. However, competitive proposals are considered confidential and protected from disclosure prior to the completion of the competitive selection process.

#### **F. Pre-Proposal Assistance and Communications**

All applicants are encouraged to review the Frequently Asked Questions (FAQ) document posted at [www.epa.gov/otaq/diesel/prgnational.htm](http://www.epa.gov/otaq/diesel/prgnational.htm) for further information on this Request for Proposals.

In accordance with EPA's Assistance Agreement Competition Policy (EPA Order 5700.5A1), EPA staff will not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the content of their proposals.

EPA will respond to questions in writing from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement.

Please email written questions to [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov). Please type "Emerging Technologies RFP Question" in the subject line of your email. All questions and answers will be posted in the FAQ document at [www.epa.gov/otaq/diesel/prgnational.htm](http://www.epa.gov/otaq/diesel/prgnational.htm).

All questions submitted via email by 5:00 pm eastern standard time (EST) each Friday during the RFP open period will be answered and posted in the FAQ document by 5:00 pm EST on the following week. The deadline for submitting questions via email is

Wednesday, January 19, 2011, at 5:00 pm EST. The estimated final posting of the FAQ document will be Monday, January 24, 2011, at 5:00 pm EST.

In addition, EPA will host a Question and Answer session regarding this Request for Proposals via webinar. EPA will attempt to answer any appropriate questions in this public forum. The webinar will be held on Tuesday, November 30, 2010, at 3:00 pm EST. Registration information for this webinar can be found at [www.epa.gov/otaq/diesel/prgnational.htm](http://www.epa.gov/otaq/diesel/prgnational.htm). Questions and answers from this webinar will also be posted in the FAQ document at [www.epa.gov/otaq/diesel/prgnational.htm](http://www.epa.gov/otaq/diesel/prgnational.htm).

Questions and answers from this teleconference, as well as any questions received in writing, will also be posted in the Frequently Asked Questions document on the website listed above.

## **G. Contracts, Subawards and Partnerships**

### **1. Can funding be used for the applicant to make subawards, acquire contract services, or fund partnerships?**

EPA awards funds to one eligible applicant as the recipient even if other eligible applicants are named as partners or co-applicants or members of a coalition or consortium. The recipient is accountable to EPA for the proper expenditure of funds.

Funding may be used to provide subgrants or subawards of financial assistance, which includes using subawards or subgrants to fund partnerships, provided the recipient complies with applicable requirements for subawards or subgrants including those contained in 40 CFR Parts 30 or 31, as appropriate. Applicants must compete contracts for services and products, including consultant contracts, and conduct cost and price analyses, to the extent required by the procurement provisions of the regulations at 40 CFR Parts 30 or 31, as appropriate. The regulations also contain limitations on consultant compensation. Applicants are not required to identify subawardees/subgrantees and/or contractors (including consultants) in their proposal. However, if they do, the fact that an applicant selected for award has named a specific subawardee/subgrantee, contractor, or consultant in the proposal EPA selects for funding does not relieve the applicant of its obligations to comply with subaward/subgrant and/or competitive procurement requirements as appropriate.

Please note that applicants may not award sole source contracts to consulting, engineering or other firms assisting applicants with the proposal solely based on the firm's role in preparing the proposal.

Please also note that applicants are not required to compete the contract with the emerging technology manufacturer selected from the pre-approved emerging technology list. 42 U.S.C. 16132 (b)(3)(B)(ii) requires the manufacturer of an eligible emerging technology and the applicant to create a partnership prior to the applicant submitting the application under this RFP. This only applies to the

selection of the emerging technology and the manufacturer of that technology. All other contracts must be competed as stated above.

A successful applicant cannot use subgrants or subawards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products from for-profit organizations to carry out its assistance agreement. The nature of the transaction between the recipient and the subawardee or subgrantee must be consistent with the standards for distinguishing between vendor transactions and subrecipient assistance under Subpart B Section .210 of OMB Circular A-133 , and the definitions of subaward at 40 CFR 30.2(ff) or subgrant at 40 CFR 31.3, as applicable. EPA will not be a party to these transactions. Applicants acquiring commercial goods or services must comply with the competitive procurement standards in 40 CFR Part 30 or 40 CFR Part 31.36 and cannot use a subaward/subgrant as the funding mechanism.

**2. How will an applicant's proposed subawardees/subgrantees and contractors be considered during the evaluation process described in Section V of this RFP?**

Section V of this RFP describes the evaluation criteria and evaluation process that will be used by EPA to make selections under this announcement. During this evaluation, except for those criteria that relate to the applicant's own qualifications, past performance, and reporting history, the review panel will consider, as appropriate and relevant, the qualifications, expertise, and experience of:

- a. an applicant's named subawardees/subgrantees identified in the proposal if the applicant demonstrates in the proposal that if it receives an award that the subaward/subgrant will be properly awarded consistent with the applicable regulations in 40 CFR Parts 30 or 31. For example, applicants must not use subawards/subgrants to obtain commercial services or products from for profit firms or individual consultants.
- b. an applicant's named contractor(s), including consultants, identified in the proposal if the applicant demonstrates in its proposal that the contractor(s) was selected in compliance with the competitive Procurement Standards in 40 CFR Part 30 or 40 CFR 31.36 as appropriate or if the applicant demonstrates that the contractor was an eligible manufacturer selected from the Emerging Technology List. For example, an applicant must demonstrate that it selected the contractor(s) competitively or that a proper non-competitive sole-source award consistent with the regulations will be made to the contractor(s), that efforts were made to provide small and disadvantaged businesses with opportunities to compete, and that some form of cost or price analysis was conducted. EPA will accept named contractors that are Emerging Technology Manufacturers without a non-competitive sole-source justification, provided the contract is for the acquisition or use of the emerging technology. EPA may not accept sole source justifications for contracts for services or products that are otherwise readily available in the commercial marketplace.

EPA will not consider the qualifications, experience, and expertise of named subawardees/subgrantees and/or named contractor(s) during the proposal evaluation process unless the applicant complies with these requirements.

**V. PROPOSAL REVIEW INFORMATION**

Only those proposals that meet the threshold criteria in Section III of this RFP will be evaluated according to the criteria set forth below. Applicants should directly and explicitly address these criteria as part of their proposal submittal. Each proposal will be rated under a points system, with a total of 100 points possible.

**A. Evaluation Criteria**

Criteria	Points
<b>Project Narrative</b>	
<p><b>1. <u>Project Description and Overall Approach:</u></b> Under this criterion, applicants will be evaluated based on:</p> <ul style="list-style-type: none"> <li>a. (6 points) the extent and quality to which the applicant addresses the requirements in Section I, Part D, “Use of Funds”;</li> <li>b. (6 points) the extent and quality to which an applicant addresses the requirements in Appendix B, Sub-Section 1 “Project Description and Overall Approach” of the Work Plan;</li> <li>c. (12 points) the extent and quality to which the proposal includes a well-conceived, logical strategy for achieving – by the project end date – the anticipated results associated with the project.</li> </ul>	<b>24</b>
<p><b>2. <u>Results – Outcomes and Outputs:</u></b> Under this criterion, applicants will be evaluated based on::</p> <ul style="list-style-type: none"> <li>a. (13 points) the extent and quality to which the applicant identifies and quantifies the expected project outputs and outcomes, including those identified in Section I.E of the RFP.</li> <li>b. (12 points) The effectiveness of the applicant’s plan for tracking and measuring its progress toward achieving the expected project outputs and outcomes, including those identified in Section I.E of the RFP.</li> </ul>	<b>25</b>

<p><b>3. <u>National Programmatic Priorities:</u></b> Under this criterion, applicants will be evaluated on the extent and quality to which the proposal addresses the National Programmatic Priorities identified in Section I.C.1 of the RFP.</p> <ul style="list-style-type: none"> <li>a. (10 points) Maximize public health benefits;</li> <li>b. (3 points) Are the most cost-effective;</li> <li>c. (3 points) Are in areas with high population density, that are poor air quality areas and that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;</li> <li>d. (3 points) Include an emerging technology that has a long expected useful life and maximize the useful life of the emerging technology used or funded by the eligible entity, conserve diesel fuel, and/or utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA’s mandate (as applicable for non-road projects).</li> </ul>	<p><b>19</b></p>
<p><b>4. <u>Past Performance--Programmatic Capability and Reporting on Results:</u></b> Under this criterion, applicants will be evaluated based on their technical ability to successfully complete and manage the proposed project taking into account their:</p> <ul style="list-style-type: none"> <li>a. (2 points) past performance in successfully completing and managing federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) similar in size, scope, and relevance to the proposed project performed within the last 3 years;</li> <li>b. (2 points) history of meeting reporting requirements on federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) similar in size, scope, and relevance to the proposed project performed within the last 3 years and submitting acceptable final technical reports under those agreements; and</li> <li>c. (2 point) past performance in documenting and/or reporting on progress towards achieving the expected outcomes and outputs (e.g., results) under federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) similar in size, scope and relevance to the proposed project within the last 3 years; and, if such progress was not made whether the documentation and/or reports satisfactorily explained why not.</li> </ul> <p>Note: In evaluating applicants under this criterion, the Agency will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). If you do not have any relevant or available past performance or reporting information, please indicate this in the appropriate section of the Work Plan and you will receive a neutral score for these factors under Section V of this RFP. A neutral score is half of the total points available. If you do not provide any response for this item, you may receive a score of zero (0) for these factors.</p>	<p><b>6</b></p>

<p><b>5. <u>Staff Expertise/Qualifications:</u></b> Under this criterion, applicants will be evaluated on their organizational experience, staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the project.</p>	<p><b>5</b></p>
<p><b>6. <u>Budget/Resources:</u></b> Under this criterion, applicants will be evaluated based on:</p> <ul style="list-style-type: none"> <li>a. (4 points) the extent and quality to which the applicant addresses the requirements in Appendix B for Section 6 “Budget Detail” of the Work Plan;</li> <li>b. (4 points) whether the project budget is appropriate to accomplish the proposed goals, objectives, and measurable environmental outcomes.</li> </ul>	<p><b>8</b></p>
<p><b>7. <u>Clear Description of the Target Fleet:</u></b> Under this criterion, applicants will be evaluated on the degree to which detailed information on the target fleet (vessel(s), vehicle(s), engine(s) and/or equipment) is provided.</p>	<p><b>8</b></p>
<p><b>8. <u>Leveraging Resources:</u></b> Under this criterion, applicants will be evaluated based on the extent they demonstrate how they will coordinate the use of EPA funding with other Federal and/or non Federal sources of funds to leverage additional resources to carry out the proposed project(s) and/or that EPA funding will complement activities relevant to the proposed project(s) carried out by the applicant with other sources of funds or resources. Applicants will also be evaluated based on the type of leveraging proposed, how the applicant will obtain the leveraged resources, the likelihood the leveraging will materialize during grant performance, and what role it will play in the overall project.</p>	<p><b>5</b></p>

**B. Review and Selection Process**

Assistance agreements funded under this announcement will be awarded and managed by EPA’s Headquarters Office of Air and Radiation. Proposals will first be evaluated against the threshold factors listed in Section III of this RFP. Only those proposals which meet all of the threshold factors will be evaluated by a review panel using the evaluation criteria listed above. Each proposal will be given a numerical score and will be rank-ordered according to the numerical score. Preliminary funding recommendations will be provided to the EPA Approving Official based on this ranking.

**C. Other Factors**

Final funding decisions will be made by the EPA Approving Official based on the rankings and recommendation of the EPA evaluation team. In making the final funding decisions, the EPA Approving Official may also consider sector (fleet type), technology, geographic diversity, and programmatic priorities. Once final decisions have been made, a funding recommendation will be developed and forwarded to the EPA Award Official for approval.

**VI. AWARD ADMINISTRATION INFORMATION**

**A. Award Notices**

Following evaluation of proposals, all applicants will be notified regarding their status.

- 1. Successful Applicants:** EPA anticipates notification to the successful applicant will be made via telephone, electronic or postal mail by March 31, 2011. The notification will advise the applicant that its proposal has been successfully evaluated and preliminarily recommended for award. The notification will be sent to the original signer of the Standard Form 424, Application for Federal Assistance.

This notification, which advises that the applicant's proposal has been recommended for award, is not an authorization to begin performance. The award offer signed by the EPA Award Official is the authorizing document and will be provided through postal mail.

Final applications and forms will be requested, as necessary, from those eligible entities whose proposals have been successfully evaluated and preliminarily recommended for award. Those entities will be provided with instructions and a due date for submittal of the final application package.

- 2. Unsuccessful Applicants:** EPA anticipates notification to unsuccessful applicant(s) will be made via electronic or postal mail by March 31, 2011. The notification will be sent to the original signer of the Standard Form 424, Application for Federal Assistance.

## **B. General Administrative and National Policy Requirements**

A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at:

[www.epa.gov/ogd/AppKit/applicable\\_epa\\_regulations\\_and\\_description.htm](http://www.epa.gov/ogd/AppKit/applicable_epa_regulations_and_description.htm).

Executive Order 12372, Intergovernmental Review of Federal Programs, may be applicable to awards resulting from this announcement. Applicants selected for funding may be required to provide a copy of their application to their State Point of Contact (SPOC) for review, pursuant to Executive Order 12372, Intergovernmental Review of Federal Programs. Not all states require such a review. A listing of State Point of Contacts (SPOC) may be viewed at: [http://www.whitehouse.gov/omb/grants\\_spoc](http://www.whitehouse.gov/omb/grants_spoc).

For the purpose of responding to this RFP, applicants may choose to not respond to question #19 on the SF 424 form; EPA will provide additional guidance on the intergovernmental review process to those applicants selected for funding.

## **C. Central Contractor Registration (CCR) and Data Universal Numbering System (DUNS) Requirements**

Unless exempt from these requirements under OMB guidance at [2 CFR Part 25](#) (e.g., individuals), applicants must:

1. Be registered in the CCR prior to submitting an application or proposal under this announcement. CCR information can be found at <https://www.bpn.gov/ccr/>
2. Maintain an active CCR registration with current information at all times during which it has an active Federal award or an application or proposal under consideration by an agency, and
3. Provide its DUNS number in each application or proposal it submits to the agency. Applicants can receive a DUNS number, at no cost, by calling the dedicated toll-free DUNS Number request line at 1-866-705-5711, or visiting the D&B website at: <http://www.dnb.com>.

If an applicant fails to comply with these requirements, it will, should it be selected for award, affect their ability to receive the award.

#### **D. Reporting Requirement**

These grants will be subject to the requirements of the Federal Funding Accountability and Transparency Act. In addition, quarterly progress reports and a detailed final report will be required. Quarterly reports summarizing technical progress, planned activities for the next quarter and a summary of expenditures are required. The final report shall be submitted to EPA within 90 calendar days of the completion of the period of performance. The final report should include: summary of the project or activity, advances achieved and costs of the project or activity. In addition, the final report shall discuss the problems, successes, and lessons learned from the project or activity that could help overcome structural, organizational or technical obstacles to implementing a similar project elsewhere. The schedule for submission of quarterly reports will be established by EPA, after the grants are awarded. Award recipients may be provided with additional information and guidance on reporting performance measures and project progress after award.

#### **E. Exchange Network**

EPA, states, territories, and tribes are working together to develop the National Environmental Information Exchange Network, a secure, Internet- and standards-based way to support electronic data reporting, sharing, and integration of both regulatory and non-regulatory environmental data. States, tribes and territories exchanging data with each other or with EPA, should make the Exchange Network and the Agency's connection to it, the Central Data Exchange (CDX), the standard way they exchange data and should phase out any legacy methods they have been using. More information on the Exchange Network is available at [www.exchangenetwork.net](http://www.exchangenetwork.net).

#### **F. Disputes**

Assistance agreement competition-related disputes will be resolved in accordance with the dispute resolution procedures published in 70 FR (Federal Register) 3629, 3630 (January 26, 2005) located on the web at:

[http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?position=all&page=3629&dbname=2005\\_register](http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?position=all&page=3629&dbname=2005_register)

#### **G. Non-profit Administrative Capability**

Non-profit applicants that are recommended for funding under this announcement are subject to administrative capability reviews consistent with Sections 8b, 8c and 9d of EPA Order 5700.8 - Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards ([www.epa.gov/ogd/grants/award/5700\\_8.pdf](http://www.epa.gov/ogd/grants/award/5700_8.pdf)) and any additional terms on administrative capability in the grant agreement.

#### **H. Program Income**

In accordance with 40 C.F.R.30.24 (b) (1) or 40 CFR 31.25(g) (2), as applicable, the applicant shall use program income to carry out activities described in the scope of work for the assistance agreement and under the same terms and conditions of the agreement.

#### **I. Subaward and Executive Compensation Reporting**

Applicants must ensure that they have the necessary processes and systems in place to comply with the subaward and executive total compensation reporting requirements established under OMB guidance at [2 CFR Part 170](#), unless they qualify for an exception from the requirements, should they be selected for funding.

#### **J. Use of Grant Funds**

An applicant that receives an award under this announcement is expected to manage assistance agreement funds efficiently and effectively and make sufficient progress towards completing the project activities described in the work-plan in a timely manner. The assistance agreement will include terms/conditions implementing this requirement.

### **VII. AGENCY CONTACT**

Jennifer Went  
Phone: (202) 564-9156  
Email: [went.jennifer@epa.gov](mailto:went.jennifer@epa.gov)

### **VIII. Other Information (Appendices)**

## APPENDIX A

### Grants.gov Proposal Submission Instructions For Announcement Number EPA-OAR-OTAQ-11-02

#### General Application Instructions

The electronic submission of your proposal must be made by an official representative of your institution who is registered with Grants.gov and is authorized to sign applications for Federal assistance. For more information, go to <http://www.grants.gov> and click on “Get Registered” on the left side of the page. *Note that the registration process may take a week or longer to complete.* If your organization is not currently registered with Grants.gov, please encourage your office to designate an authorized official representative (AOR) and ask that individual to begin the registration process as soon as possible.

To begin the proposal process under this grant announcement, go to <http://www.grants.gov> and click on the “Apply for Grants” tab on the left side of the page. Then click on “Apply Step 1: Download a Grant Application Package” to download the compatible Adobe viewer and obtain the application package. **To apply through grants.gov you must use Adobe Reader applications and download the compatible Adobe Reader version (Adobe Reader applications are available to [download for free on the Grants.gov website](#). For more information on Adobe Reader please visit the [Help section](#) on grants.gov at <http://www.grants.gov/help/help.jsp> or [http://www.grants.gov/aboutgrants/program\\_status.jsp](http://www.grants.gov/aboutgrants/program_status.jsp)).**

Once you have downloaded the viewer, you may retrieve the application package by entering the Funding Opportunity Number, EPA-OAR-OTAQ-11-02, or the CFDA number that applies to the announcement (CFDA 66.039), in the appropriate field. You may also be able to access the proposal package by clicking on the Application button at the top right of the synopsis page for this announcement on <http://www.grants.gov> (to find the synopsis page, go to <http://www.grants.gov> and click on the “Find Grant Opportunities” button on the left side of the page and then go to Search Opportunities and use the Browse by Agency feature to find EPA opportunities).

**Proposal Submission Deadline:** Your organization’s AOR must submit your complete proposal package electronically to EPA through Grants.gov (<http://www.grants.gov>) no later than Thursday, January 27, 2011, 4:00 p.m. EST.

Please submit *all* of the proposal materials described below

#### Proposal Materials

**The following forms and documents are required to be submitted under this announcement:**

- I. Application for Federal Assistance (SF-424)
- II. Budget Information for Non-Construction Programs (SF-424A)
- III. Project Narrative - prepared as described in Section IV.C and Appendix B of the announcement.
- IV. Other Attachments as described in Section IV.C of the announcement

The proposal package *must* include all of the following materials:

**I. Standard Form (SF) 424, Application for Federal Assistance**

Complete the form. There are no attachments. Please be sure to include organization fax number and email address in Block 5 of the Standard Form SF 424.

Please note that the organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the SF-424. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711.

**II. Standard Form SF 424A – Budget Information:**

Complete the form. There are no attachments.

The total amount of federal funding requested for the project period should be shown on line 5(e) and on line 6(k) of SF-424A. If indirect costs are included, the amount of indirect costs should be entered on line 6(j). The indirect cost rate (i.e., a percentage), the base (e.g., personnel costs and fringe benefits), and the amount should also be indicated on line 22.

**III. Project Narrative**

Prepared in accordance with the instructions in Section IV.C and Appendix B of the announcement. The document should be readable in PDF format and consolidated into a single file.

**IV. Other Attachments Form**

Other Attachments include the Applicant Fleet Description (required), Cost Share Commitment Letters, and Optional Attachments prepared in accordance with the instructions in Section IV.C of the announcement. The documents included in the Other Attachments section should be readable in PDF format and consolidated into a single file.

**Application Preparation and Submission Instructions**

**Documents I through III** listed under Proposal Materials above should appear in the “Mandatory Documents” box on the Grants.gov Grant Application Package page. Document IV is for Other Attachments as described in Section IV.C. 3-5 of the announcement.

For documents I and II, click on the appropriate form and then click “Open Form” below the box. The fields that must be completed will be highlighted in yellow. Optional fields

and completed fields will be displayed in white. If you enter an invalid response or incomplete information in a field, you will receive an error message. When you have finished filling out each form, click “Save.” When you return to the electronic Grant Application Package page, click on the form you just completed, and then click on the box that says, “Move Form to Submission List.” This action will move the document over to the box that says, “Mandatory Completed Documents for Submission.”

For document III, you will need to attach electronic files. Prepare your project narrative proposal as described in Section IV.C and Appendix B of the announcement and save the document to your computer as a PDF file. When you are ready to attach it to the application package, click on “Project Narrative Attachment Form,” and open the form. Click “Add Mandatory Project Narrative File,” and then attach your project narrative (previously saved to your computer) using the browse window that appears. You may then click “View Mandatory Project Narrative File” to view it. Enter a brief descriptive title of your project in the space beside “Mandatory Project Narrative File Filename;” the filename should be no more than 40 characters long. If there are other attachments that you would like to submit to accompany your project narrative (See Section IV.C), you may click “Add Optional Project Narrative File” and proceed as before, or use the Other Attachments form. When you have finished attaching the necessary documents, click “Close Form.” When you return to the “Grant Application Package” page, select the “Project Narrative Attachment Form” and click “Move Form to Submission List.” The form should now appear in the box that says, “Mandatory Completed Documents for Submission.”

Once you have finished filling out all of the forms/attachments and they appear in one of the “Completed Documents for Submission” boxes, click the “Save” button that appears at the top of the Web page. It is suggested that you save the document a second time, using a different name, since this will make it easier to submit an amended package later if necessary. Please use the following format when saving your file: “Applicant Name – FY11 – Assoc Prog Supp – 1<sup>st</sup> Submission” or “Applicant Name – FY 11 Assoc Prog Supp – Back-up Submission.” If it becomes necessary to submit an amended package at a later date, then the name of the 2<sup>nd</sup> submission should be changed to “Applicant Name – FY11 Assoc Prog Supp – 2<sup>nd</sup> Submission.”

Once your proposal package has been completed and saved, send it to your AOR for submission to U.S. EPA through Grants.gov. Please advise your AOR to close all other software programs before attempting to submit the proposal package through Grants.gov.

In the “Application Filing Name” box, your AOR should enter your organization’s name (abbreviate where possible), the fiscal year (e.g., FY11), and the grant category (e.g., Assoc Prog Supp). The filing name should not exceed 40 characters. From the “Grant Application Package” page, your AOR may submit the application package by clicking the “Submit” button that appears at the top of the page. The AOR will then be asked to verify the agency and funding opportunity number for which the application package is being submitted. If problems are encountered during the submission process, the AOR should reboot his/her computer before trying to submit the proposal package again. [It

may be necessary to turn off the computer (not just restart it) before attempting to submit the package again.] If the AOR continues to experience submission problems, he/she may contact Grants.gov for assistance by phone at 1-800-518-4726, email at <http://www.grants.gov/help/help.jsp>, or Jennifer Went.

Proposal packages submitted thru grants.gov will be time/date stamped electronically.

If you have not received a confirmation of receipt from grants.gov within 30 days of the proposal deadline, please contact **Jennifer Went**. Failure to do so may result in your proposal not being reviewed.

## APPENDIX B

### Project Narrative Instructions, Format, and Content

**Instructions:** The Project Narrative must substantially comply with the specific instructions, format and content defined below.

The Project Narrative must not exceed a maximum of 10 single-spaced typewritten pages, including the Cover Page. Pages in excess of the 10-page limit will not be considered. Supporting materials, such as resumes, letters of support and/or commitment, and the Applicant Fleet Description information may be submitted as attachments and are not included in the 10-page limit.

**A. Cover Page:** The cover page must include the following information:

- Project Title
- Applicant Information
  - Applicant (Organization) Name
  - Address (Street, City, State, Zip)
  - Office Phone and Fax Numbers
  - Contact Name, Email Address and Website (if available)
  - DUNS Number
- Eligible Entity
  - Using the criteria outlined under section III.A of this RFP, explain how you are an eligible entity.
- Total Project Cost
  - Specify total cost of the project
  - Identify how much of the total cost of the project is requested from EPA
  - Identify how much of the total cost of the project is voluntary cost share or other leveraged funding (including in-kind resources). Please refer to Section III.B. for definitions of cost share types.
- Target Fleet
  - Specify target fleet type(s) from the following list:

▪ Agriculture	▪ Refuse hauler
▪ City/County vehicle	▪ School bus
▪ Construction	▪ Short haul
▪ Delivery truck	▪ Stationary
▪ Emergency vehicles	▪ Transit bus
▪ Long haul	▪ Utility vehicle
▪ Marine	▪ Mining
▪ Ports and airports	▪ Other
▪ Rail	
  - Additionally, specify the total number of engines, vehicles, and/or pieces of equipment affected by the project.
- Technology

- Specify the technology type that will be used in the grant proposal
- Specify the technology make and model that will be used in the grant proposal
- Short Project Description
  - Briefly describe your project (1-2 sentences), especially noting the number of vehicles for each type of fleet, and the technology used. Example description: Replace 20 construction cranes with the EcoCrane Hybrid system. In addition, retrofit one marine vessel with the Krystallon PM Seawater Scrubber.

**B. Work Plan:** Applicants must ensure that the Work Plan addresses all of the evaluation criteria in Section V of this announcement by using the section headings 1-8 below which correspond with the evaluation criteria headings in Section V of this RFP. Each evaluation criterion will be evaluated based on the information provided by the applicant under each corresponding section heading in the applicant's Work Plan.

**Sub-Section 1. Project Description and Overall Approach**

This section of the work plan must contain a detailed project description, including the following information:

- The means by which the project will achieve a significant reduction in diesel emissions.
- All emerging technologies to be used or funded by the applicant.
- The number, types and typical use, and ownership of vehicles, engines and/or equipment targeted for emissions reductions.
- A detailed timeline for the project including milestones for specific tasks.
- The roles and responsibilities of the Applicant organization and any other project partners, contractors, or subgrantees, including the technology manufacturer.
- Information on the sustainability of the project beyond the assistance agreement period, including a discussion of whom or what organization(s) will retain ownership of any vehicles, engines and/or equipment purchased with funding from this project.
- A description of any testing to be performed and how the data collected will benefit the emerging technologies program.
- A demonstration that the project meets the Restriction for Mandated Measures as defined in Section III.D.1 of this RFP. If the project takes place in an affected area, or includes affected vehicles, engines or equipment, the Applicant must clearly demonstrate that emission reductions funded with EPA funds will be implemented prior to the effective date of the mandate and/or are in excess of (above and beyond) those required by the applicable mandate.

**Sub-Section 2. Results – Outputs and Outcomes**

This section of the work plan must include a discussion of the expected outputs and outcomes of the project as defined in Section I.E of this RFP. Specific outputs and outcomes should be included. In addition, applicants must describe what measurements will be used to track and measure their progress towards achieving the expected outputs and outcomes and how the results of the project will be evaluated.

Applicants should follow the instructions in **Appendix C** of this announcement for calculating emissions reductions.

It is suggested that the applicant include the following table, or one similar, in this section of the work plan.

Anticipated Outputs and Outcomes		
Activities	Outputs	Outcomes

**Example Outputs and Outcome Table**

<i>Anticipated Outputs and Outcomes</i>		
<i>Activities</i>	<i>Outputs</i>	<i>Outcomes</i>
<i>Retrofit 100 school buses</i>	<i># of technology installed = 100 DPFs</i>	<i>Lifetime Emissions Reductions = 4 tons PM</i>

**Sub-Section 3. National Programmatic Priorities**

This section of the work plan must address how the project will achieve each of the following programmatic priorities.

- Maximize public health benefits;
- Are the most cost-effective - applicants should follow the instructions in **Appendix E** of this announcement for calculating the cost-effectiveness of their project;
- Are in areas with high population density, in areas with poor air quality areas (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns) - applicants should include a description of the air quality of the area affected by the project;
- Are in areas that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions – applicants should include information on the quantity of air pollution produced by the diesel fleets in the area affected by the project;
- Include an emerging technology that has a long expected useful life - applicants should include a description of any emerging technologies to be used or funded by the project, including expected lifetime;

- Maximize the useful life of the emerging technology used or funded by the eligible entity – applicants should include information on the age and expected lifetime of the vehicles, engines and/or equipment targeted for emissions reductions;
- Conserve diesel fuel; and
- If applicable, utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA’s mandate for non-road engines – applicants should include a description of the diesel fuel available in the areas to be served by the project, including the sulfur content of the fuel.

**Sub-Section 4. Past Performance-Programmatic Capability and Reporting on Results**

This section of the work plan must include a list of federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) similar in size, scope and relevance to the proposed project that your organization performed within the last three years (no more than three assistance agreements, and preferably EPA agreements). For each agreement listed include the Project Title, Assistance Agreement Number, Funding Agency, and fully address the following evaluation criteria:

- Whether, and how, you were able to successfully complete and manage those agreements;
- Your history of meeting the reporting requirements under those agreements including submitting acceptable final technical reports; and
- How you documented and/or reported on whether you were making progress towards achieving the expected results (e.g., outputs and outcomes) under those agreements. If you were not making progress, please indicate whether, and how, you documented why.

Please Note - In evaluating applicants under these factors as described in Section V of this RFP, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and from current and prior Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant).

If you do not have any relevant or available past performance or reporting information, please indicate this and you will receive a neutral score for these factors under Section V of this RFP. A neutral score is half of the total points available. If you do not provide any response for this item, you may receive a score of zero (0) for these factors.

**Sub-Section 5. Staff Expertise / Qualifications**

This section of the work plan must include information on your organizational experience for timely and successfully achieving the objectives of the proposed project, staff expertise/qualification, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.

### **Sub-Section 6. Budget / Resources Detail**

This section of the work plan is a detailed description of the budget found in the SF-424A, and must include a detailed discussion of how EPA funds will be used. Applicants must **itemize** costs related to personnel, fringe benefits, travel, equipment, supplies, contractual costs, other direct costs, indirect costs, and total costs.

If the project budget includes any voluntary cost-share, the Budget Detail portion of the Work Plan must include a detailed description of how the applicant will obtain the cost-share and how the cost-share funding will be used. If EPA accepts an offer for a voluntary cost-share, applicants must meet their sharing commitment as a legal condition of receiving EPA funding. If the proposed cost-share is to be provided by a third-party, a letter of commitment is required. Any form of cost-share included in the Budget Detail must also be included on the SF 424 and SF 424A. Please see Section III.B of this RFP for more detailed information on cost-share.

Applicants should use the following instructions, budget object class descriptions, and example table to complete the Budget / Resources section of the work plan.

- **Personnel - List all staff positions by title. Give annual salary, percentage of time assigned to the project, and total cost for the budget period.** This category includes only direct costs for the salaries of those individuals who are employees of the applicant and will perform work directly for the project. If the applicant organization is including staff time (in-kind services) as a cost share, this should be included as Personnel costs. Personnel costs do not include: (1) costs for services of consultants, contractors, consortia members, or other partner organizations, which are included in the “Contractual” category; (2) costs for employees of subrecipients under subawards, which are included in the “Other” category; or (3) effort that is not directly in support of the proposed project, which may be covered by the organization’s negotiated indirect cost rate. The budget detail must identify the personnel category type by Full Time Equivalent (FTE), including percentage of FTE for part-time employees, number of personnel proposed for each category, and the estimated funding amounts.
- **Fringe Benefits - Identify the percentage used, the basis for its computation, and the types of benefits included.** Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to the cost of leave, employee insurance, pensions and unemployment benefit plans.
- **Travel - Specify the mileage, per diem, estimated number of trips in-State and out-of-State, number of travelers, and other costs for each type of travel.** Travel may be integral to the purpose of the proposed project (e.g. inspections) or related to proposed project activities (e.g. attendance at meetings). Travel costs identified in this section are for employees of the applicant only. Travel costs do not include: (1) costs for travel of consultants, contractors, consortia members, or other partner organizations, which are included in the “Contractual” category; (2) travel costs for

employees of subrecipients under subawards, which are included in the “Other” category.

- **Equipment - Identify each item to be purchased which has an estimated acquisition cost of \$5,000 or more per unit and a useful life of more than one year.** Equipment also includes accessories necessary to make the equipment operational. Equipment does not include: (1) equipment planned to be leased/rented, including lease/purchase agreement; or (2) equipment service or maintenance contracts. These types of proposed costs should be included in the “Other” category. Items with a unit cost of less than \$5,000 should be categorized as supplies, pursuant to 40 CFR 31.3 and 30.2. The budget detail must include an itemized listing of all equipment proposed under the project.
- **Supplies - “Supplies” means all tangible personal property other than “equipment”.** The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies). Non-tangible goods and services associated with supplies, such as printing service, photocopy services, and rental costs should be included in the “Other” category.
- **Contractual - Identify each proposed contract and specify its purpose and estimated cost.** Contractual/consultant services are those services to be carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. Leased or rented goods (equipment or supplies) should be included in the “Other” category. The applicant should list the proposed contract activities along with a brief description of the scope of work or services to be provided, proposed duration, and proposed procurement method (competitive or non-competitive), if known.
- **Other - List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost.** This category should include only those types of direct costs that do not fit in any of the other budget categories. Examples of costs that may be in this category are: insurance and indemnification, rental/lease of equipment or supplies, equipment service or maintenance contracts, printing or photocopying, and subaward costs. Subawards (e.g., subgrants) are a distinct type of cost under this category. The term “subaward” means an award of financial assistance (money or property) by any legal agreement made by the recipient to an eligible subrecipient. This term does not include procurement purchases, technical assistance in the form of services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Subcontracts are not subawards and belong in the contractual category. Applicants must provide the aggregate amount they propose to issue as subaward work and a description of the types of activities to be supported.
- **Indirect Charges - If indirect charges are budgeted, indicate the approved rate and base.** Indirect costs are those incurred by the grantee for a common or joint purpose that benefit more than one cost objective or project, and are not readily assignable to specific cost objectives or projects as a direct cost. In order for indirect costs to be allowable, the applicant must have a federal or state negotiated indirect cost rate (e.g., fixed, predetermined, final or provisional), or must have submitted a proposal to the cognizant Federal or State agency. Examples of Indirect Cost Rate calculations are shown below:

- Personnel (Indirect Rate x Personnel = Indirect Costs)
- Personnel and Fringe (Indirect Rate x Personnel & Fringe = Indirect Costs)
- Total Direct Costs (Indirect Rate x Total direct costs = Indirect Costs)
- Direct Costs minus distorting or other factors such as contracts and equipment  
(Indirect Rate x (total direct cost – distorting factors) = Indirect Costs)

**Example Budget Table**

Line Item and Itemized Cost	EPA Funding	**Cost-Share
Personal		
(1) Exec. Dir. @ \$50/hr x 4 hrs/week x 52 wks		\$10,400
(1) Proj. Dir. @ \$40/hr x 10 hrs/week x 52 wks	\$20,800	
(1) Staff Engineer @ \$30/hr x 40 hrs/week x 40 wks	\$48,000	
(1) Jr. Engineer @ \$20/hr x 20hrs/week x 52 wks		\$20,800
<b>TOTAL PERSONAL</b>	<b>\$68,800</b>	<b>\$31,200</b>
Fringe Benefits		
20% of Salary and Wages	20%(68,800)	20%(31,200)
- Retirement, Health Benefits, FICA, SUI	\$13,760	\$6,240
<b>TOTAL FRINGE BENEFITS</b>	<b>\$13,760</b>	<b>\$6,240</b>
Travel		
Local mileage for Project Director: 100 mi/mo @ \$0.17/mi x 12 mos.	\$204	
Local mileage for (2) Engineers: 200 mi/mo @ \$0.17/mi x 12 mos. x 2 Engineers	\$816	
Travel expenses for Project Director to attend Diesel Retrofit Conference in Los Angeles, July 11-15, \$325 registration, fees, tuition plus \$218 round-trip air plus 6 days per diem @ \$33/day	\$741	
<b>TOTAL TRAVEL</b>	<b>\$ 1,761</b>	
Equipment		
10 New emerging technologies @ \$100,000 per unit	\$750,000	\$ 250,000
<b>TOTAL EQUIPMENT</b>	<b>\$ 750,000</b>	<b>\$ 250,000</b>
Supplies		
100 Replacement filters @ \$10 per unit	\$1,000	
<b>TOTAL SUPPLIES</b>	<b>\$1,000</b>	
Contractual		
Retrofit Installation Services Contract	\$10,000	
Laboratory Testing Services Contract		\$10,000
<b>TOTAL CONTRACTUAL</b>	<b>\$10,000</b>	<b>\$10,000</b>

Other		
5 Subgrants to School Districts for School Bus Retrofits with DPFs. Each Subgrant @ \$50,000	\$250,000	
<b>TOTAL OTHER</b>	<b>\$250,000</b>	
Indirect Charges		
Federal Negotiated Indirect Cost Rate = 10% (Indirect Rate x Personnel = Indirect Costs)	\$6,880	***
<b>TOTAL INDIRECT</b>	<b>\$6,880</b>	
<b>TOTAL FUNDING</b>	<b>\$ 1,102,201</b>	<b>\$297,435</b>
<b>TOTAL PROJECT COST</b>	<b>\$1,399,636</b>	

\*\* Cost-Share funds must also be included on the SF-424A as detailed in Section III.B of this RFP.

\*\*\*Please see CFR Part 30.23(e) and CFR Part 31.24(c), Matching or Cost Sharing regarding overhead for indirect costs.

Note on Management Fees: When formulating budgets for proposals, applicants must not include management fees or similar charges in excess of the direct costs and indirect costs at the rate approved by the applicant's cognizant Federal audit agency, or at the rate provided for by the terms of the agreement negotiated with EPA. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs that are not allowable under EPA assistance agreements. Management fees or similar charges cannot be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the work plan.

**Sub-Section 7. Clear Description of the Target Fleet**

This section of the work plan must include information on vehicles to be retrofitted. You must describe in detail the specific vehicles and engines targeted for emissions reductions under the proposed project, including: target fleet type, number of vehicles, vehicle class, model year, retrofit year, chosen technology, current fuel type, and amount of fuel used.

**Sub-Section 8. Leveraging Resources**

Demonstrate how you will coordinate the use of EPA funding with other Federal and/or non Federal sources of funds/resources to leverage additional resources to carry out the proposed project(s), and/or that EPA funding will complement activities relevant to the proposed project(s) carried out by the applicant with other sources of funds or resources. Describe the type of leveraging proposed, how you will obtain the leveraged resources, the likelihood the leveraging will materialize during grant performance, and what role it will play in the overall project. Selected applicants are expected to abide by their proposed leveraging commitments during grant performance and the failure to do so may affect the legitimacy of the award.

## APPENDIX C

### Quantifying Environmental Outcomes Worksheet

#### Diesel Emission Reductions

To estimate the anticipated emission reductions from your project, use the Diesel Emissions Quantifier (DEQ) found at <http://www.epa.gov/cleandiesel/quantifier/>. Based on the vehicle/engine data you provided for the Applicant Fleet Description (described in Section IV.C.3 of this RFP) enter the same data into the DEQ. For assistance getting started, please review the Step-by-Step instructions guide (<http://www.epa.gov/cleandiesel/quantifier/stepbystep.htm>). Please note you can average certain fields together; model year, vehicle miles traveled, idling hours, usage rate, and horsepower to minimize the number of DEQ runs required.

From the DEQ results page (example shown below), enter the Lifetime Amount Reduced for each of the listed pollutants (NO<sub>x</sub>, PM, HC, CO, CO<sub>2</sub>) in Section 2 “Results Outputs and Outcomes,” of your Work Plan.

Lifetime	NO <sub>x</sub> (tons)	PM (tons)	HC (tons)	CO (tons)	CO <sub>2</sub> (tons)	Diesel-Equivalent (gallons)
Baseline of Entire Fleet	7.8325	0.1885	0.0786	1.4534	112.3719	10,123.592
Baseline of Engines Retrofitted	7.8325	0.1885	0.0786	1.4534	112.3719	10,123.592
Percent Reduced(%)	0.0%	0.2%	0.5%	0.3%	0.0%	0.0%
<b>Amount Reduced</b>	<b>0.0000</b>	<b>0.0004</b>	<b>0.0004</b>	<b>0.0044</b>	<b>0.0000</b>	<b>0.0000</b>
Amount Emitted After Retrofit, Retrofitted Engines	7.8325	0.1882	0.0782	1.4490	112.3719	10,123.592
Amount Emitted After Retrofit, Entire Fleet	7.8325	0.1882	0.0782	1.4490	112.3719	10,123.592
Capital Cost Effectiveness (\$/ton), Retrofitted Engines	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Cost Effectiveness (\$/ton), Retrofitted Engines	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Note:** The lifetime results are dependent on each vehicle group's remaining life. To determine the remaining life for each vehicle group, divide the lifetime results by the annual results using the Detailed Results tables below

For further instruction on using the DEQ, please refer to <http://www.epa.gov/cleandiesel/quantifier/references.htm>

Additional assistance is available by calling the Clean Diesel Helpline at 877-NCDC-FACTS (877-623-2322) or emailing [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov).

#### Alternative Methods

If you are unable to use the DEQ, you may utilize the following alternative methods for calculating emission reductions:

- National Mobile Inventory Model (NMIM) - <http://www.epa.gov/oms/nmim.htm>
- Mobile Model (on-road vehicles) - <http://www.epa.gov/OMS/mobile.htm>
- Nonroad Model (nonroad engines, equipment, and vehicles) - <http://www.epa.gov/OMS/nonrdmdl.htm>
- SmartWay FLEET Model - <http://www.epa.gov/smartway/transport/partner-resources/resources-complete.htm#tools>

If an alternative method is used you must thoroughly describe and document your methods within Section 2 “Environmental Results,” of your Work Plan.

**Restriction for Mandated Measures – Emissions Reduction Worksheet**

No funds awarded under this RFP shall be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. The restriction applies when the mandate takes effect (the effective date) for any affected vehicles, engines or equipment.

If the project takes place in an affected area, or includes affected vehicles, engines or equipment, emission reduction benefits shall only be calculated for the period preceding the effective date or compliance deadline. See Section III.D.1 of this RFP for more information on the Restriction for Mandated Measures.

If the proposed project takes place in a mandated area, or includes affected vehicles, engines, or equipment, the Applicant must use the following formula to calculate lifetime emission benefits that may be claimed.

Follow the instructions above to run the DEQ. From the DEQ results page (example shown below), enter the Annual Amount Reduced Per Year in the spaces provided below.

Summary Emissions Results						
Annual	NOx (tons/year)	PM (tons/year)	HC (tons/year)	CO (tons/year)	CO2 (tons/year)	Diesel- Equivalent (gallons/year)
Baseline of Entire Fleet	7.7369	0.1862	0.0776	1.4356	111.0000	10,000.0000
Baseline of Engines Retrofitted	7.7369	0.1862	0.0776	1.4356	111.0000	10,000.0000
Percent Reduced (%)	0.0%	0.2%	0.5%	0.3%	0.0%	0.0%
<b>Amount Reduced Per Year</b>	<b>0.0000</b>	<b>0.0004</b>	<b>0.0004</b>	<b>0.0043</b>	<b>0.0000</b>	<b>0.0000</b>
Daily	NOx (kg/day)	PM (kg/day)	HC (kg/day)	CO (kg/day)	CO2 (kg/day)	Diesel- Equivalent (gal/day)
Kilograms Reduced Per Day (kg/day)	0.0000	0.0009	0.0010	0.0107	0.0000	0.0000

NOX (\$/ton)    PM (\$/ton)    HC (\$/ton)    CO (\$/ton)    CO2 (\$/ton)  
 Note: This is the Annual results, not the Lifetime Results.

Retrofit Year = \_\_\_\_\_ Mandate Compliance Year = \_\_\_\_\_

Multiply the values for each pollutant by the difference of the mandate year and the retrofit year and enter the calculated lifetime emissions for each of the listed pollutants (NO<sub>x</sub>, PM, HC, CO, CO<sub>2</sub>) in Section 2 “Results – Outputs and Outcomes,” of your Work Plan.

For example, if the mandate is slated to occur in 2012 and the retrofit will take place in 2010, then multiply the highlighted values above by 2 (2012 - 2010=2). Thus, the calculated lifetime emissions would be as follows:

0.000*2=	0.027*2=	0.095*2=	0.259*2=	0.000*2=
<u>0.00</u>	<u>0.054</u>	<u>0.190</u>	<u>0.518</u>	<u>0.000</u>
NOX (tons)	PM (tons)	HC (tons)	CO (tons)	CO2 (tons)

## APPENDIX D

### Public Health Benefits Determination

The extent that a project will maximize public health benefits depends on both the population that will experience improvements in air quality due to the project, and the amount of emissions reductions that will take place. Proposals should therefore describe both the population that will be affected by the project and the emission reductions that will result from the project. This description must be qualitative and quantitative. Quantitative health benefits can be generated using the Diesel Emissions Quantifier (DEQ) which can be found at <http://www.epa.gov/cleandiesel/quantifier/>. However, the DEQ does not include quantification of the health benefits for all types of projects. If the DEQ is not able to quantify health benefits for your specific project, a qualitative description alone will be acceptable. Note that the DEQ can quantify health benefits from particulate matter (PM) emission reductions, but does not have capability to quantify health benefits from other emission reductions like NO<sub>x</sub>, CO, HC or CO<sub>2</sub>. Please refer to the DEQ instructions page that can be accessed from the DEQ home page for step-by-step instructions on how to calculate PM health benefits from your project.

## APPENDIX E

### Calculating Cost-Effectiveness Worksheet

To estimate the cost-effectiveness of your project, you may use the Diesel Emissions Quantifier (DEQ) at <http://cfpub.epa.gov/quantifier/index.cfm?action=fleet.edit>. The cost-effectiveness is based on the amount of funding the applicant is requesting from EPA plus the amount of any voluntary cost-share as defined in Section III.B. 2, if applicable. (Please do not include Other Leveraged Funding/Resources, as defined in Section III.B.3).

To determine the cost-effectiveness using the DEQ, enter the dollar amount requested from EPA plus the amount of any voluntary cost-share as defined in Section III.B. 2, if applicable, in the DEQ funding information section. To access this section of the DEQ, the user must choose “Yes” for “Do you want to estimate the total cost effectiveness of the project?” as shown below.

The screenshot shows a web browser window titled "Quantifer: | National Clean Diesel | US EPA < - Windows Inte...". The address bar shows the URL "http://cfpub.epa.gov/quantifier/index.cfm?action=fle...". The browser's menu bar includes "File", "Edit", "View", "Favorites", "Tools", and "Help". The page content is a form titled "New" with a "Start Over" button in the top right corner. The form includes the following fields:

- Fleet Name:
- Fleet Type:
- State:
- Do you want to estimate the total cost effectiveness of the project? Yes  No
- Total cost effectiveness numbers are based solely on the user inputs below
- EPA \$  Private \$  Other \$
- Other Federal \$  Match/Lev. \$  Unknown \$
- CMAQ \$  SEP \$  State \$
- Local \$
- Save Fleet button

From here, enter the total project amount requested from EPA in the EPA field. If a project has multiple fleets (i.e. school buses and transit buses), enter the total amount requested from EPA only once. Enter the amount of any voluntary cost-share as defined in III.B. 2 in the Match/Leveraged field. DO NOT ENTER ANY OTHER

LEVERAGED FUNDING/RESOURCES AS DEFINED IN SECTION III.B.3 THAT ARE INCLUDED IN YOUR PROJECT BUDGET.

From the results page, use the Total Cost-Effectiveness for each of the five listed pollutants (NO<sub>x</sub>, PM, HC, CO, CO<sub>2</sub>) in Section 3 “National Programmatic Priorities,” of your Work Plan.

You may also manually calculate your cost-effectiveness. See below for example calculations and formats.

**Restriction for Mandated Measures**

No funds awarded under this RFP shall be used to fund the costs of emission reductions that are mandated under Federal, State or local law. The restriction applies when the mandate takes effect (the effective date) for any affected vehicles, engines or equipment.

If the project takes place in an affected area, or includes affected vehicles, engines or equipment, cost-effectiveness shall only be calculated based on the emission reduction benefits occurring prior to the effective date or compliance deadline. See Section III.D.1 of this RFP for more information of the Restriction for Mandated Measures.

If the proposed project takes place in a mandated area, or includes affected vehicles, engines, or equipment, the Applicant must use the following formulas to calculate the cost-effectives values.

To determine the cost-effectiveness, divide the amount requested from EPA plus the amount of any voluntary cost-share as defined in Section III.B. 2, if applicable, by the lifetime emission reductions number previously calculated using the Restriction for Mandated Measures – Emissions Reduction Worksheet in Appendix C. Enter the calculated lifetime Total Cost-Effectiveness for each of the listed pollutants (NO<sub>x</sub>, PM, HC, CO, CO<sub>2</sub>) in Section 3 “National Programmatic Priorities,” of your Work Plan.

For example, given following calculated lifetime emission reductions and \$50,000 as the total amount requested plus cost share:

<u>0.00</u>	<u>0.054</u>	<u>0.190</u>	<u>0.518</u>	<u>0.000</u>
NOX (tons)	PM (tons)	HC (tons)	CO (tons)	CO2 (tons)

The Calculated-Cost Effectiveness would be calculated as:

$\$50,000/0=$	$\$50,000/0.054=$	$\$50,000/0.190=$	$\$50,000/0.518=$	$\$50,000/0.000=$
<u>\$0</u>	<u>\$925,925</u>	<u>\$263,157</u>	<u>\$96,525</u>	<u>\$0</u>
NOX (\$/ton)	PM (\$/ton)	HC (\$/ton)	CO (\$/ton)	CO2 (\$/ton)

And here is an example of how the cost-effectiveness table could look for an applicant work plan:

<b>Tons Reductions</b>	<b>NOx</b>	<b><u>PM</u></b>	<b><u>HC</u></b>	<b><u>CO</u></b>	<b><u>CO<sub>2</sub></u></b>
Annual (tons/year)	A	B	C	D	E
Lifetime (tons)	F	G	H	I	J
<b>Total Cost-Effectiveness (\$/ton)</b>	K	L	M	N	O

A, B, C, D, E = (Lifetime Emission Reductions in tons)/(Life of the Project or Remaining Lifetime of Affected Vehicles)

F, G, H, I, J = Lifetime Emission Reductions in tons

K, L, M, N, O = [(\$ Amount Requested from EPA)+ (Cost Share \$)]/(Lifetime Emission Reductions) in \$/ton

## APPENDIX F

### Proposal Submission Checklist

The proposal package *must* include all of the following materials. Use this checklist to ensure that all required materials have been included in your proposal package.

- Standard Form SF 424 – Application for Federal Assistance
- Standard Form SF 424A – Budget Information
- Project Narrative (no more than 10 pages)
  - Cover Page
  - Narrative Workplan
    - 1. Project Summary and Overall Approach
    - 2. Results – Outcomes and Outputs
    - 3. National Programmatic Priorities
    - 4. Past Performance
    - 5. Staff Expertise / Qualifications
    - 6. Detailed Budget Narrative
    - 7. Applicant Fleet Description (not included in page limit)
    - 8. Leveraging Resources Description
    - 9. Optional Attachments (not included in page limit)