

Questions and Answers: 2022 Diesel Emissions Reductions Act (DERA) Tribal and Insular Area Grants (RFA# EPA-OAR-OTAQ-22-03)

Thursday, October 20, 2022

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

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

A. Applicant Eligibility

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

Answer: Tribal agencies are defined as Federally recognized Indian tribal governments, which are any Indian Tribe, band, nation, or other organized group or community (including Alaska Native Villages) certified by the Secretary of the Interior as eligible for the special programs and services provided through the Bureau of Indian Affairs as well as any organization or intertribal consortium that represents Federally recognized tribes.

For the purposes of this RFA, "intertribal consortium" is defined as a partnership between two or more eligible tribal governments, as defined above, that is authorized by the governing bodies of those tribes to apply for and receive assistance under this program. Intertribal consortia are eligible to receive assistance under this program only if the consortium demonstrates that all members of the consortium meet the eligibility requirements for the program and authorize the consortium to apply for and receive assistance by submitting to EPA documentation of (1) the existence of the partnership between Indian tribal governments, and (2) authorization of the consortium by all its members to apply for and receive the assistance.

Date Posted: 8/1/2022

A.2: *Which insular areas are eligible?*

Answer: For the purposes of this RFA and as defined in 48 U.S.C. §1469a, "insular areas" include the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

Date Posted: 8/1/2022

A.3: *How does EPA define jurisdiction over transportation or air quality?*

Answer: Jurisdiction is generally defined as the ability to make decisions which impact transportation and/or air quality. A Tribe/Native village which owns or operates diesel vehicles and equipment is considered to have jurisdiction over transportation and/or air quality. Eligible entities should explain how they fit the definition in their proposal.

Date Posted: 8/1/2022

A.4: *Can individuals or private companies apply for funding under this competition?*

Answer: No. Only eligible entities as defined in the RFA are eligible to apply directly to EPA for funding under this RFA. However, both public and private fleets may benefit from program activities and EPA encourages private fleet owners to partner with eligible entities for the implementation of diesel emission reduction projects. There are several ways that an eligible entity can provide funding/benefits to fleet owners, including subgrants, rebates, or other types of partnerships. Please see Section III.A of the RFA for more information. For networking opportunities, you may wish to get involved with your local Regional Diesel Collaborative. More information is available at <https://www.epa.gov/dera/epa-regions-diesel-collaboratives>.

Date Posted: 8/1/2022

A.5: *Do applicants have to be located in areas with poor air quality to be eligible?*

Answer: No. All eligible applicants, as defined in the RFA, are eligible to apply for the DERA Tribal and Insular Area Grant Program, regardless of air quality in the project location. However, projects located in areas of poor air quality will be given priority as described in Section V.A of the RFA. A list of priority areas for the 2022 Tribal and Insular Area RFA can be found at <https://www.epa.gov/dera/tribal-insulararea> and in Appendix F of the RFA.

Date Posted: 8/1/2022

A.6: *Are there specific entities that private companies in insular areas must partner with?*

Answer: Although private fleet owners are not eligible to apply directly to EPA for DERA funding, both public and private fleets can benefit from the programs implemented by eligible DERA grant applicants. Under this RFA, insular area government agencies are eligible to apply for funding for projects in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

Date Posted: 8/1/2022

A.7: *Are we eligible to apply if we have received DERA funding through another opportunity?*

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

Date Posted: 8/1/2022

A.8: *Can multiple tribes collaborate on a grant application?*

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

Date Posted: 8/1/2022

A.9: *Is a tribal entity that received grant funds last year eligible?*

Answer: Yes. This is a new competition and you may apply to the DERA program again.

Date Posted: 8/25/2022

A.10: *Are Head Start programs that serve students on tribal land eligible to apply as a "Tribal School"?*

Answer: To apply directly to EPA for DERA funding, applicants must be a tribal government (or intertribal consortium), Alaska Native village, or an insular area government agency which has jurisdiction over transportation or air quality. Head Start programs are eligible DERA applicants if they fall within this definition. Alternatively, an eligible entity may partner with public and private fleet owners and provide them with subgrants or rebates so that they may address the emissions from their fleets.

Date Posted: 10/6/2022

A.11: *Is the manufacturer of an emissions reduction device eligible for this grant?*

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

Date Posted: 10/13/2022

B. Project Eligibility

B.i. Vehicle and Equipment Replacements

B.i.1: *What types of replacement projects are eligible?*

Answer: Replacement projects can include the replacement of diesel vehicles/equipment with new, cleaner vehicles and equipment. Eligible replacement vehicles and equipment include those powered by diesel or clean alternative fuel engines (including gasoline), electric generators (gensets), hybrid engines, and zero tailpipe emissions power sources (grid, battery or fuel cell).

Date Posted: 8/1/2022

B.i.2: *Are transport refrigeration unit (TRU) replacement projects eligible?*

Answer: Yes. Diesel powered TRUs and TRU gen sets are eligible as nonroad equipment replacements if the existing TRU nonroad engine meets the applicable nonroad eligibility criteria. Please see the TRU Factsheet found at <https://www.epa.gov/dera/tribal-insulararea> for information on TRUs and eligible TRU projects.

Date Posted: 8/1/2022

B.i.3: *What are eligible and ineligible costs for electric vehicle charging stations in battery electric powered replacement projects?*

Answer: DERA funds cannot be used for "stand-alone" electric vehicle charging stations. If you are buying an electric vehicle with DERA funds, then DERA funds may also be used for the purchase and installation of one charging unit per vehicle, including the unit and charging cable, mount and/or pedestal. The charger should be installed where the DERA purchased vehicle will do most of its charging. Ineligible costs include power distribution to the pedestal, electrical panels and their installation, upgrades to existing electrical panels or electrical service, transformers and their installation, wiring/conduit and its installation, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g. batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation.

Date Posted: 8/1/2022

B.ii. Engine Replacements

No questions at this time.

B.iii. Cleaner Fuels and Additives

No questions at this time.

B.iv. Idle Reduction

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

Answer: Yes. Idle reduction projects are eligible for funding. Lists of eligible, EPA verified idle reduction technologies are available at: <https://www.epa.gov/verified-diesel-tech/smartway-technology>.

Date Posted: 8/1/2022

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

Answer: Yes. EPA will fund eligible electrified parking space technologies, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. This includes the installation (i.e., construction) of electrical infrastructure to support the EPS technology.

Date Posted: 8/1/2022

B.v. Verified Retrofit Technologies

B.v.1: *Which fuels are considered cleaner fuels?*

Answer: Eligible cleaner fuels and additives are limited to those verified by EPA and/or CARB to achieve emission reductions when applied to an existing diesel engine, such as biodiesel. EPA will not fund stand-alone cleaner fuel/additive use. To be eligible for funding, verified fuels and additives must be for new or expanded use, and must be used in combination, and the same vehicle, with a new eligible verified engine retrofit or an eligible upgrade or an eligible certified engine, vehicle, or equipment replacement.

Date Posted: 8/1/2022

B.v.2: *Are retrofit technologies required to have EPA/CARB verification prior to proposal submission?*

Answer: The type of retrofit technology (e.g., DOC, DPF, SCR, upgrade kit, etc.) proposed for funding must be verified by either EPA or CARB for use on the specific vehicle/engine specified in the proposal at the time of proposal submission to EPA. A list of eligible, EPA verified retrofit technologies is available at: <https://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel>. A list of eligible, California Air Resources Board (CARB) verified retrofit technologies is available at: <https://ww2.arb.ca.gov/diesel/verde/vt/cvt.htm>. The actual retrofit technology used by the grant recipient must be specifically named on EPA or CARB's Verified Exhaust Retrofit Technologies lists at the time of acquisition and used only for the specific vehicle/engine for which it is verified.

Date Posted: 8/1/2022

B.vi. Clean Alternative Fuel Conversions

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

Answer: Yes. Funding can cover an eligible certified or compliant clean alternative fuel conversion. Eligible conversions are limited to those systems that have been certified by EPA and/or CARB, and those systems that have been approved by EPA for Intermediate-Age engines. EPA's lists of "Certified Conversion Systems for New Vehicles and Engines" and "Conversion Systems for Intermediate-Age Vehicles and Engines" are available at <https://www.epa.gov/ve-certification/lists-epa-compliant-alternative-fuel-conversion-systems>; CARB's list of "Approved Alternate Fuel Retrofit Systems" is available at <https://www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm>. To be eligible for funding, conversion systems for engine model years 2006 and earlier must achieve at least a 30% NOx reduction and a 10% PM reduction from the applicable certified emission standards of the original engine. To be eligible for funding, conversion systems for engine model years 2007 and newer must achieve at least a 20% NOx reduction with no increase in PM from the applicable certified emission standards of the original engine.

Date Posted: 8/1/2022

B.vii. Verified Aerodynamic Technologies and Tires

No questions at this time.

B.viii. Miscellaneous

B.viii.1: What project types are eligible under the Tribal and Insular Area RFA?

Answer: Eligible diesel emissions reduction solutions include vehicle and equipment replacements, engine replacement, remanufacture systems, verified idle reduction technologies, verified retrofit technologies, clean alternative fuel conversions, and verified aerodynamic technologies and verified low rolling resistance tires. Projects must utilize an EPA or CARB certified engine configuration and/or a verified technology. Please review the full text of the RFA and supporting information for detailed project eligibility information: <https://www.epa.gov/dera/tribal-insulararea>.

Date Posted: 8/1/2022

B.viii.2: What types of projects are eligible for a Tier 3 marine engine?

Answer:

Please see Table 4 in Section I.B.3 of the RFA for marine engine project eligibility. Below 803 HP, there is no Tier 4 marine engine standard. Therefore, Tier 3 engines may be replaced with zero emission power systems, or Tier 3 engines may be upgraded with a certified remanufacture system or a verified engine upgrade.

- Replacement: Tier 3 powered marine vessels are eligible for engine/vessel replacement with zero emissions options such as battery electric.
- Certified Remanufacture Systems: An EPA certified remanufacture system (i.e., kit) can be applied during an engine rebuild and involves the removal of parts on an engine and replacement with parts that cause the engine to perform like a newer engine. Engine remanufacture systems may not be available for all engines. To be eligible for funding,

remanufacture systems for marine engines must be certified by EPA at the time of acquisition. List of certified remanufacture systems are available at: <https://www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment>, and additional information on remanufacture systems is available at: <https://www.epa.gov/ve-certification/epas-marine-remanufacturing-program-maintaining-compliance-when-rebuilding>.

- **Verified Retrofit Technologies:** Retrofit technologies are products that may be added to reduce emissions from existing engines such as diesel oxidation catalysts (DOCs) and diesel particulate filters (DPFs). EPA and CARB verify technologies that have demonstrated performance and have quantified the levels of emissions reductions the technology can achieve. A few marine engine upgrades have been verified as retrofits, however there are no currently verified upgrades that are applicable to Tier 3 engines. To be eligible for funding, verified retrofit technologies must be on EPA's (<https://www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel>) or CARB's (<https://ww2.arb.ca.gov/diesel/verdev/vt/cvt.htm>) Verified Technologies lists at the time of acquisition, must be used only for the vehicle/engine application specified on the lists, and must meet any applicable verification criteria.

Date Posted: 8/1/2022

B.viii.3: *Are projects for fueling infrastructure for the production and distribution of fuel biodiesel eligible?*

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

Date Posted: 8/1/2022

B.viii.4: *May we expand our fleet with new vehicles?*

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

Date Posted: 8/1/2022

B.viii.5: *Can funds be used for a project that has already been started or will be started before the expected award date?*

Answer: No. Any funding awarded under this announcement must be used for activities that will take place within the approved project period and may not be used for unauthorized pre-award costs. However, funding could be used for a new component of an on-going project. For example, if the applicant has a fleet of 500 school buses and has already retrofitted 200, the applicant can apply for funds to retrofit the remaining 300 buses.

Date Posted: 8/1/2022

C. Vehicle, Equipment, and Engine Eligibility

C.1: *Which engine model years are eligible for funding?*

Answer: Engine model year or tier eligibility will depend on the type of project. Please see Sections I.B.3 and I.B.6. of the RFA for full details on eligibility criteria.

Date Posted: 8/1/2022

C.2: *Is there a maximum eligible age of the existing school bus in a zero-emission school bus replacement project?*

Answer: No, there is no maximum age for vehicle eligibility. Existing vehicles must meet the ownership, usage, and remaining life requirements defined in Section I.B.6 of the RFA to be eligible for funding. The existing bus must be operational, and the participating fleet owner must have owned and operated the vehicle during the two years prior to upgrade. The existing vehicle must have at least two years of remaining life at the time of upgrade. To be eligible for funding, school buses must meet the following usage requirements: For Tribal applicants, the existing vehicle must have accumulated at least 5,000 miles per year during the two years prior to upgrade, or during calendar year 2019. For insular area applicants, the existing vehicle must have accumulated at least 1,000 miles per year during the two years prior to upgrade, or during calendar year 2019. Please note that 2010 and newer existing vehicles can only be replaced with zero emission or certified Low-NOx vehicles, as shown in Section I.B.3, Table 2, of the RFA.

Date Posted: 8/1/2022

C.3: *Is a vehicle used to transport passengers (e.g., shuttles, transit buses) eligible for replacement?*

Answer: Yes, per Section I.B.1 of the RFA, eligible transit buses include diesel powered medium-duty and heavy-duty transit buses as long as it is a Class 5 or above vehicle and meets the ownership, usage, and remaining life requirements defined in the RFA.

Date Posted: 8/1/2022

C.4: *Is diesel equipment that a tribe owns in partnership with a federal agency eligible?*

Answer: No. While the tribe does not need to own the equipment, equipment owned by a federal agency is not eligible for replacement or retrofit. By definition in 2 CFR Part 200, recipients and subrecipients of federal awards must be non-Federal entities. Further, federal cooperative agreement funds may not be used to acquire property or services for the Federal Government's direct benefit or use.

Date Posted: 8/1/2022

C.5: *Is the two-year remaining life at time of upgrade something we find out through the Diesel Emission Quantifier (DEQ)?*

Answer: No, the DEQ does not give remaining life estimates. Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance, and climate.

Documentation is not required at the time of application submittal to EPA but is required as part of programmatic reporting to verify the eligible use of grant funds. A sample eligibility statement may be found at <https://www.epa.gov/dera/tribal-insulararea>, as defined in Section I.B.6.f of the RFA.

Date Posted: 8/1/2022

C.6: *Is there a minimum mileage requirement for highway vehicles under this RFA?*

Answer:

Yes. The usage requirement depends on the applicant and vehicle type.

Tribal government (or intertribal consortia) and Alaska Native Village applicants:

- School buses must have accumulated at least 5,000 miles per year during the two years prior to upgrade.
- All other highway vehicles must have accumulated at least 5,000 miles per year during the two years prior to upgrade.

Insular area government agency applicants:

- School buses must have accumulated at least 1,000 miles per year during the two years prior to upgrade.
- All other highway vehicles must have accumulated at least 1,000 miles per year during the two years prior to upgrade.

The mileage of two or more units may be combined to reach the thresholds above where two or more units will be scrapped and replaced with a single unit. The existing vehicle, engine, or equipment must be fully operational and in current, regular service.

Date Posted: 8/1/2022

C.7: *Is there a time requirement for a company to have owned vehicles or equipment before they can be included in a project?*

Answer: Yes. Fleet owners must have owned and operated the vehicle during the two years prior to upgrade.

Date Posted: 8/1/2022

C.8: *Are backup diesel generators eligible for funding under this RFA?*

Answer: A backup diesel generator may qualify if it meets the minimum usage requirements, but most do not due to their limited use. Please see Section I.B.6.e of the RFA for usage requirements. However, engine hours may be combined to reach the threshold where two or more engines will be scrapped and replaced with a single engine.

Date Posted: 8/1/2022

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

Answer: No. To be eligible for funding, existing vehicles, engines, equipment and technologies must have at least two years of remaining life as defined in Section I.B.6.c. Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding.

Date Posted: 8/1/2022

C.10: *Is a gas engine eligible for replacement under the DERA Tribal and Insular Area Grant?*

Answer: No, the existing engine must be a diesel engine. The DERA program is specifically focused on reducing diesel emissions.

Date Posted: 8/1/2022

C.11: What are the nonroad, locomotive and marine usage requirements?

Answer: To be eligible, nonroad engines must meet these minimum operating requirements:

- Agricultural pumps: at least 250 hours per year during the two years prior to upgrade.
- All other nonroad engines: at least 300 hours per year during the two years prior.

Locomotive and marine engines: at least 500 hours per year during the two years prior to upgrade. The engine operating hours of two or more units may be combined to reach the thresholds above where two or more units will be scrapped and replaced with a single unit. The existing vehicle, engine, or equipment must be fully operational and in current, regular service.

Date Posted: 8/1/2022

C.12: How can we demonstrate that an engine meets operating hour requirements?

Answer: Participating fleet owners must attest to the ownership, usage, and remaining life criterion in Section I.B.6.a.-e. of the RFA in a signed eligibility statement which includes each vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state. This documentation is not required at the time of application submittal to EPA but is required as part of programmatic reporting to verify the eligible use of grant funds. A sample eligibility statement may be found at <https://www.epa.gov/dera/tribal-insulararea>.

Date Posted: 8/1/2022

C.13: Can eligible entities receive funding for fleets comprised of both tribal and corporate vehicles?

Answer: Yes. Corporate vehicles are eligible for funding as long as the applicant is an eligible entity. An eligible entity can provide funding/benefits to private fleet owners through subawards and rebates.

Date Posted: 8/1/2022

C.14: What are the eligibility requirements for qualifying nonroad equipment?

Answer: Diesel powered nonroad engines, equipment and vehicles that are eligible for funding include, but are not limited to, those used in construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps). Eligible nonroad equipment also includes transport refrigeration units (TRUs). See Table 1 in Section I.B.1, and Table 3 in Section I.B.3 for additional information.

Date Posted: 8/1/2022

C.15: Please describe eligible diesel trucks

Answer: For the purposes of this RFA, eligible heavy-duty highway vehicles are defined as Class 5 through Class 8:

- Class 5 (16,001 -19,500 lbs GVWR);
- Class 6 (19,501 - 26,000 lbs GVWR);
- Class 7 (26,001 - 33,000 lbs GVWR);
- Class 8 (33,001 lbs GVWR and over).

Class 1 - Class 4 vehicles (i.e., 16,000 lbs or less GVWR) are not eligible.

Date Posted: 8/1/2022

C.16: *We would like to reduce emissions from our marine auxiliary generators. Is replacing the engine in a marine auxiliary generator an eligible project?*

Answer: Yes. An eligible engine replacement project consists of replacing the existing diesel engine in the genset, but the existing electric generator component will not be replaced. Alternatively, an eligible equipment replacement project consists of replacing the entire gen-set (i.e., engine and generator).

Date Posted: 8/1/2022

C.17: *Are vehicles leased with an intent to own eligible?*

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

Date Posted: 8/1/2022

C.18: *How do we demonstrate remaining life?*

Answer: Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance, and climate. Please provide your best estimate given these considerations.

Date Posted: 8/1/2022

C.19: *On Table 2, what is the difference between "Vehicle or Engine Replacement: EMY 2016+" and "Vehicle or Engine Replacement: EMY 2019+ Zero Emission or Low-NOx" for vehicles with EMYs of 2010 or newer?*

Answer: According to Section I.B.3, Table 2, of the RFA, 2010 and newer existing diesel powered vehicles can only be replaced with vehicles with engine model year 2019+, zero emission, or 2019+ certified Low-NOx vehicles or engines. Vehicles older than 2010 can be replaced with engine model year 2016+ diesel, gasoline, or alternative fueled vehicles or engines. The replacement of gasoline powered vehicles is not an eligible project.

Date Posted: 8/18/2022

C.20: *Is there a requirement that the replacement vehicle is of a similar type and serves the same purpose as the existing vehicle proposed for replacement?*

Answer: Yes, the replacement vehicle, engine, or equipment must be of similar type and gross vehicle weight rating (GVWR) or horsepower as the vehicle, engine, or equipment being replaced. It must also continue to perform similar function and operation as the vehicle, engine, or equipment that is being replaced. For more information, see Section 3.C, Threshold Eligibility Criteria.

Date Posted: 8/18/2022

C.21: *Is a water truck used only within farm boundaries a highway or nonroad vehicle? What usage requirement applies?*

Answer: A vehicle with a certified highway engine is considered a highway vehicle, even if not used on roads. The vehicle must meet the defined mileage requirements for highway vehicles. For Tribal government (or intertribal consortia) and Alaska Native Village applicants, to be eligible for funding, the existing vehicles should have accumulated at least 5,000 miles per year during the two years prior to upgrade. For insular area government agency applicants, to be eligible for funding, the existing vehicles should have accumulated at least 1,000 miles per year during the two years prior to upgrade.

Date Posted: 8/18/2022

C.22: *Is a diesel-operated pickup truck with a diesel generator eligible?*

Answer: Only medium heavy-duty and heavy heavy-duty highway vehicles are eligible. This includes Class 5 through Class 8 trucks:

- Class 5 (16,001 -19,500 lbs GVWR);
- Class 6 (19,501 - 26,000 lbs GVWR);
- Class 7 (26,001 - 33,000 lbs GVWR);
- Class 8a (33,001 - 60,000 lbs GVWR);
- Class 8b (60,001 lbs GVWR and over).

A light-duty pickup truck is not eligible.

Date Posted: 8/25/2022

C.23: *How do we identify the engine tier?*

Answer: The engine plate should include the engine model year, model, and horsepower. With this information you can identify the tier with a chart such as <https://ww2.arb.ca.gov/resources/documents/non-road-diesel-engine-certification-tier-chart>. If the engine is older than a certain age, it isn't regulated.

Date Posted: 8/25/2022

C.24: *How do you tell whether an engine highway or nonroad?*

Answer: Please see the engine plate to determine the type of engine.

Date Posted: 8/25/2022

C.25: *Are tractors nonroad?*

Answer: Yes. An agricultural tractor would be considered nonroad.

Date Posted: 8/25/2022

C.26: *Are charter boats eligible for funding?*

Answer: Yes. Marine engines on charter boats which meet the minimum operating hours and other eligibility requirements are eligible for funding.

Date Posted: 8/25/2022

C.27: *Can these funds be used to replace brush trucks utilized by tribal fire departments?*

Answer: It depends on the size of the truck, the engine type (highway or nonroad), and usage. For a highway vehicle, the engine must be class 5 or higher. The usage requirements differ between highway and nonroad engines.

Date Posted: 8/25/2022

C.28: *What are our replacement options for a 2010 transit bus?*

Answer: A 2010 and newer diesel vehicle may be replaced with a 2019 or newer low NOx vehicle or with a 2019 or newer zero emission vehicle.

Date Posted: 9/2/2022

C.29: *We are having difficulty locating the VIN or engine label with the serial number, engine family number and engine model year on a marine engine. How can we complete this portion of the Applicant Fleet Description?*

Answer: Neither the VIN nor the serial numbers are required at the time of application. If the project is selected for funding grantees can work with their EPA Project Officer to determine sufficient engine documentation when the engine plate is missing. Often the engine manufacturer can assist in obtaining engine information.

Date Posted: 9/9/2022

D. Application Process

D.1: *Can applicants get assistance with the Diesel Emissions Quantifier?*

Answer: Yes, you may contact the DEQ Helpline by emailing DEQhelp@epa.gov for assistance. We recommend you start working with the Quantifier early.

Date Posted: 8/1/2022

D.2: *Can a tribe use their CAA 103 and 105 air program grant funds to pay for the work associated with preparing a DERA application?*

Answer: DERA funding is authorized under the Diesel Emission Reduction Act of 2010, which means DERA programs can only fund eligible activities as defined by the authorization. CAA 103 and 105 funding is authorized under the Clean Air Act and may only be used for eligible activities under those programs. To be allowed, grant costs need to be necessary and allocable for the performance of the award. Charging costs related to another program are not necessary and allocable for the performance of that grant. This means costs related to DERA, such as the preparation of a DERA application, cannot be charged to a CAA 103 or 105 grant. The one exception are GAP grants because these grants are for the development and establishment of environmental protection programs in Indian country. For more information on federal cost principles under Subpart E of 2 CFR Part 200, please visit <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E>.

Date Posted: 8/1/2022

D.3: *Does the applicant fleet description need to include vehicle information on our entire fleet or only the vehicles in the fleet being proposed in the application?*

Answer: The applicant fleet description should only contain information on the vehicles included in the project application. The purpose of the applicant fleet description is to describe in detail the specific vehicles and engines targeted for emissions reductions as well as the diesel emissions reduction solution(s) to be implemented under the proposed project. The information in the fleet description is used to calculate the emission benefits of the project.

Date Posted: 8/1/2022

D.4: *Where can I find information about the merit criteria/selection process?*

Answer: First, application must meet the threshold eligibility criteria defined in Section III.C of the RFA. If the threshold requirements are not met the application will be found ineligible. Then, eligible applications will be evaluated against the ranking criteria in Section V.A of the RFA.

Date Posted: 8/1/2022

D.5: *Is a copy of a successful application available to use as a guide?*

Answer: No. However, templates and resources for applicants are available at <https://www.epa.gov/dera/tribal-insulararea>.

Date Posted: 8/1/2022

D.6: *Does each vehicle need a separate application?*

Answer: No. A single application may target multiple vehicles, fleet types and/or types of upgrades. Each applicant can submit a total of two (2) separate and distinct applications, as defined in Section III.C.1.3. However, each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e., the same target fleet or group of fleets). The amount of federal funding requested per application by the tribal governments (or intertribal consortia) or Alaska Native Villages must not exceed \$800,000, and the amount requested per application by the insular area government entities must not exceed \$300,000, as specified in Section II.A.

Date Posted: 8/1/2022

D.7: *The application checklist does not include the scrappage statement and the eligibility statement. Should these be included in the application?*

Answer: No, the eligibility statement and scrappage statement are not required at the time of application. If selected for funding, the statements are required to be submitted to document the eligible use of funds. In the workplan, applicants should state that all vehicles will meet the applicable eligibility requirements and that all vehicles will be scrapped.

Date Posted: 8/1/2022

D.8: Does DERA funding cover federal excise taxes (FET)?

Answer: In general, taxes that the grant recipient is required to pay are eligible grant costs. Tax should be billed according to the organization's normal billing practices. Costs incurred for freight, express, cartage, postage, and other transportation services relating either to goods purchased, in process, or delivered, are allowable. When such costs can readily be identified with the items involved, they may be charged directly as transportation costs or added to the cost of such items. Acquisition cost means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices.

Date Posted: 8/1/2022

D.9: Will Information Session slides be available online?

Answer: The Information Session slides will be posted at: <https://www.epa.gov/dera/tribal-insulararea> after the first information session. Questions and answers from these information sessions will also be posted in the questions and answers document located at <https://www.epa.gov/dera/tribal-insulararea>.

Date Posted: 8/1/2022

D.10: May we purchase an extended warranty that extends past the project period?

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

Date Posted: 8/1/2022

D.11: Where is the application for the grant program?

Answer: The Request for Applications (RFA Number EPA-OAR- OTAQ-22-03) contains all project eligibility and application submission information. The RFA, as well as a project narrative sample template and an applicant fleet description template, may be found at www.epa.gov/dera/tribal-insulararea. Applicants can download an application package, including required forms, from www.grants.gov under Funding Opportunity Number EPA-OAR-OTAQ-22-03. Applicants must upload the project narrative and all supporting documents to the application package in grants.gov, and the full package submitted to EPA through www.grants.gov. Please refer to the proposal submission checklist in Appendix F of the RFA to ensure that all required information is included in your package.

Date Posted: 8/1/2022

D.12: What is the applicant's mandatory cost share requirement?

Answer: No cost sharing/matching funds are required under this RFA, but applicants may propose to provide voluntary cost share or leveraged resources.

Date Posted: 8/1/2022

D.13: *What is the total amount of funding available under this RFA?*

Answer: EPA anticipates awarding approximately \$8 million in DERA funding under this announcement. A total of \$7 million will be made available to tribal governments (or intertribal consortia) and Alaska Native Villages, and \$1 million will be made available to insular area governments.

Date Posted: 8/1/2022

D.14: *How many applications may be submitted?*

Answer: Applicants may submit two (2) applications. Each application must be for a different project and must be submitted separately. An applicant cannot submit two applications that both request funding for the same project (i.e., the same target fleet or group of fleets).

Date Posted: 8/1/2022

D.15: *What is the maximum federal funding request under this RFA?*

Answer: Tribal governments (or intertribal consortia) or Alaska Native Villages may request up to \$800,000 per application and insular area government entities may request up to \$300,000 per application.

Date Posted: 8/1/2022

D.16: *Do I have to include emissions reductions in my application?*

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

Date Posted: 8/1/2022

D.17: *What is the page limit for the project narrative?*

Answer: With respect to the project narrative, pages in excess of the 14-page limit will not be reviewed. Supporting information should be included as an attachment to the application and does not count towards the 14-page limit. Instructions in Appendix D includes an error stating, "should not exceed a maximum of twelve (14) single-spaced pages in length" should reflect the word fourteen instead of twelve. All other references in the RFA are correct. The project narrative template available for download lists the requirements:

<https://www.epa.gov/dera/tribal-insulararea#supporting>.

Date Posted: 8/25/2022

D.18: *Can this funding be paired with other federal or state funding?*

Answer: Federal funds, including DERA, cannot be used as a match for other Federal funds. State funds may be used as a match.

Date Posted: 8/25/2022

D.19: *If an applicant submits two applications, could they both be selected for funding?*

Answer: Yes, depending on the number of applications received and the quality of those applications. If submitting two applications, they need to be for two separate projects.

Date Posted: 8/25/2022

D.20: *Is our ocean fleet's response to COVID considered EJ? The fleet provided rapid testing, mask distribution and COVID procedures).*

Answer: Under the environmental justice (EJ) and underserved communities criterion, applications will be evaluated based on the extent to which they demonstrate how the project will address the disproportionate and adverse human health, environmental, climate-related and other cumulative impacts, as well as the accompanying economic challenges of such impacts, resulting from industrial, governmental, commercial and/or other actions that have affected and/or currently affect the underserved communities described in Section I of the solicitation. Specifically, EPA will evaluate how the project benefits the underserved communities including those that have experienced a lack of resources or other impediments to addressing the impacts identified above that affect their community and the extent to which the project addresses engagement with these communities, especially local residents in these communities who will be affected by the project, to ensure their meaningful participation with respect to the design, project planning, and performance of the project.

Date Posted: 8/25/2022

D.21: *Would letters of support be looked at favorably as part of an application even if it isn't considered in the ranking criteria?*

Answer: Yes, letters of support from organizations participating in the project are looked upon favorably.

Date Posted: 8/25/2022

D.22: *In an electric vehicle replacement, are electric vehicle infrastructure costs eligible?*

Answer: Grant funds can pay for the charger and kiosk. We do not pay for infrastructure upgrades on the backside of the meter.

Date Posted: 9/2/2022

D.23: *Are transformer upgrade costs eligible?*

Answer: No, transformer upgrades are not eligible in a vehicle replacement project. For marine and shorepower vehicles, we do allow for more of the electric infrastructure costs than the pedestal and charging infrastructure. Please see Section D. Eligible Costs and Funding Restrictions in the RFA for more detail.

Date Posted: 9/2/2022

D.24: *Is a recording of the Information Session(s) available?*

Answer: EPA will not be posting a recording of the webinars for the FY22 Tribal and Insular Area RFA cycle, but a copy of the presentation slides can be found on the DERA webpage at <https://www.epa.gov/system/files/documents/2022-08/fy22-tribal-insular-area-rfa-webinar-2022-08-24.pdf>.

Date Posted: 9/9/2022

D.25: *Are there any resources available to help determine what retrofit strategy is best for a given vehicle?*

Answer: EPA's Diesel Emissions Quantifier (DEQ) can help users evaluate clean diesel projects and upgrade options for medium-heavy and heavy-heavy duty diesel engines. The DEQ is available at <https://cfpub.epa.gov/quantifier/index.cfm?action=main.home>.

Date Posted: 9/9/2022

D.26: *Can you provide more details about using the Applicant Fleet Description?*

Answer:

The Applicant Fleet Description details all vehicles and engines targeted for emissions reductions under the project, as well as the diesel emissions reduction solution(s). This information collected will help you calculate emissions reductions from your projects.

In the sample Applicant Fleet Description spreadsheet, available at <https://www.epa.gov/dera/tribal-insulararea>, all rows of data should be filled out by the applicant unless the field is specified as not being applicable to the Equipment Type or Target Fleet. These exceptions are highlighted in parentheses in the table. The upgrade information, the new engine information, and the new annual vehicle data sections must be completed to the greatest extent possible for all project types. Some values may be \$0 (for example, if you do not anticipate labor costs for a vehicle replacement). If you do not yet know the VIN for the new vehicle at the time of application, you may leave it blank (VIN information must be completed as part of the quarterly and final grant reporting.)

The total federal funds expended per unit is for an individual unit and cannot exceed the maximum federal funding request for your organization type.

Date Posted: 9/26/2022

D.27: *If the replacement vehicle will be used equally across multiple locations, how should we reflect this in the Project Narrative?*

Answer: If a single application includes vehicles operating in more than one area, this section of the work plan should indicate where the vehicles operate and the annual percentage (%) of time the vehicles typically operate in each area. If the vehicle will operate equally across these multiple locations, please split the percentage in an equal manner across these locations. If the vehicle will operate equally among multiple locations, you may indicate multiple location values in a single cell.

Date Posted: 9/26/2022

D.28: *The RFA states that applicants can submit a total of two applications. Is that limit the number of projects, or the number of vehicles or engines involved in a project?*

Answer: Applicants can submit a total of two (2) applications overall under this solicitation. Each application must be for a different project and must be submitted separately. A single application may target multiple fleets, fleet types, and/or diesel emission reduction solutions. More than two vehicles or engines may be included in any single project. While there is a maximum funding amount, there is not a maximum number of vehicles or engines that may be included.

Date Posted: 10/6/2022

New D.29: *Will EPA review our Applicant Fleet Description and comment on the completeness of our application or the likelihood that we will receive a grant with the information we have available?*

Answer: No, EPA cannot provide feedback on application materials during an open competition. Please refer to the RFA for guidance and instructions on completing your application. After selections are made and grants are awarded, grantees should discuss project workplans, including fleet details, with EPA project officers. Applicants that are not selected for funding may request a debrief to discuss the strengths and weaknesses of their proposal.

Date Posted: 10/20/2022

E. Project Administration

E.i. Competitive Procurement Requirements

E.i.1: *Are grantees required to use competitive bidding for procurements?*

Answer: Yes, all recipients of EPA grant funds must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of the regulations at 2 CFR Part 200, as appropriate. However, an existing contact may be utilized if the grantee or subgrantees can demonstrate that the vendor was selected through a competitive process that meets the requirements. Refer to EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements for EPA's policies on competitive procurements.

Date Posted: 8/1/2022

E.ii. General

E.ii.1: *Under this RFA, must vehicles and equipment purchased with DERA funds meet the requirements of the Build America, Buy America Act (BABAA) that took effect on May 14, 2022?*

Answer: No. While certain projects under this competition are subject to the Buy America Sourcing requirements under the Build America, Buy America provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§70911-70917), EPA has obtained a transitional waiver from the BABAA requirements for projects funded under this RFA.

EPA recognizes the challenges raised for applicants to comply with new rules and processes under BABAA. Consistent with the Office of Management and Budget guidance M-22-11M-22-11, EPA's 2022 DERA Tribal and Insular Area Grants program has been approved for time-limited public interest adjustment period waiver to avoid undue increases in the time and cost of a project, and to allow applicants and EPA to transition to new rules and processes. A list of approved EPA waivers is available on the EPA Build America, Buy America website:

<https://www.epa.gov/cwsrf/build-america-buy-america-baba>.

In the absence of a waiver, BABAA is applicable when grantees use Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. EPA has determined that under DERA grants, vehicle charging equipment and some equipment used in marine shore power projects and electric parking space projects meets the definition of infrastructure. BABAA requires that grant recipients implement a Buy America preference for iron and steel, manufactured products, and construction materials used for infrastructure projects under an award, or grant recipients must apply for a waiver for each infrastructure project.

Date Posted: 8/1/2022

E.ii.2: *What is the project period for this funding opportunity?*

Answer: In general, the project period for awards resulting from this solicitation is expected to begin on March 1, 2023. EPA anticipates most projects can be completed within 24 months; however, initial project periods of up to 36 months will be allowed where justified by the activities, timeline and milestones detailed in the workplan.

Date Posted: 8/1/2022

E.ii.3: *Once an application is received and is awarded a certain amount of money, is the applicant obligated to continue?*

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

Date Posted: 8/1/2022

E.ii.4: *What type of DERA funded projects are subject to BABAA requirements?*

Answer: EPA has received a waiver from the BABAA requirements for the 2022 DERA Tribal and Insular Area Grants.

Date Posted: 8/25/2022